

FEDERAL BUREAU OF INVESTIGATION

FOI/PA

DELETED PAGE INFORMATION SHEET

FOI/PA# 1499620-000

Total Deleted Page(s) = 12

Page 70 ~ b6; b7C; b7D;

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Page 82 ~ Duplicate;

Page 83 ~ Duplicate;

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Training	
Local Coun.	
Telephone Rm.	
Director Sec'y.	

NR009 MI CODED.

7:59PM NITEL 10/11/73 LSK TELETYPE

TO) DIRECTOR, FBI (157-28724)

UFO (157-5884)

FROM MILWAUKEE (157-2834) (P) 2 PAGES

~~HERBERT GEORGE POWLESS; EM - AIM (KE).~~

157-28724-18

RE BUREAU LETTER TO DENVER 10/9/73.

FOR INFO OF RECIPIENTS, PRIOR TO RECEIPT OF RE BUREAU LETTER, MILWAUKEE HAD DISCUSSED WITH AUSA, MILWAUKEE, THE ALLEGED MISUSE OF FEDERAL FUNDS BY SUBJECT IN CONNECTION WITH THE FEDERALLY FUNDED AMERICAN INDIAN COUNCIL ON ALCOHOLISM, OF WHICH SUBJECT IS DIRECTOR.

AUSA [redacted] EDW, MILWAUKEE, WIS.,

REQUESTED IT BE DETERMINED WHAT ACTION OFFICE OF ECONOMIC OPPORTUNITY (OEO) ANTICIPATED RELATIVE TO THE MISUSE OF FUNDS BY POWLESS, AND WHAT ACTION OR RECOMMENDATIONS WERE MADE TO PROVIDE TIGHTER CONTROLS OVER FUNDS HE IS PRESENTLY RECEIVING, OR IF SUBJECT'S FUNDING HAS BEEN TERMINATED.

END PAGE ONE

REC-47

65981

NOT RECORDED

46 OCT 24 1973

58 OCT 31 1973

46-112

6-9-73

b6
b7c

ORIGINAL FILED IN

PAGE TWO

MI 157-2034

IF OEO DOES NOT PLAN ON PRESENTING THIS MATTER FOR POSSIBLE FEDERAL PROSECUTION, MILWAUKEE WILL INSTITUTE FAG INVESTIGATION, AND AUSA WILL PRESENT MATTER TO FEDERAL GRAND JURY.

FOR INFO OF BUREAU, FOR PAST SEVERAL MONTHS MILWAUKEE, THROUGH [REDACTED] HAVE BEEN CONDUCTING INVESTIGATION RE THE MISUSE OF FEDERAL FUNDS BY SUBJECT, AND BOTH THESE SOURCES HAVE FURNISHED VALUABLE INFO, TALKED TO OEO INSPECTORS.

MILWAUKEE PRESENTLY PREPARING COMMUNICATION, AND WILL SUBMIT PERTINENT INFO RE MISUSE OF FUNDS BY POWLESS, AS SET FORTH IN OEO REPORTS.

AIRMAIL COPIES TO DENVER AND PHOENIX.

END

WGM FBIHQ 5

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SAC, WFO (157-5884)

10/18/73

Director, FBI (46-New)

1 - Mr. Baber

HERBERT GEORGE POWLESS
FAG
OO: MILWAUKEE

Re Milwaukee nitel to Bureau 10/11/73,
captioned "Herbert George Powless, EM."

Enclosed for WFO are 3 original reports of investigation conducted by the Office of Economic Opportunity (OEO), Inspection Division, concerning the American Indian Movement. These reports were forwarded to the Bureau by WFO communication dated 10/5/73, captioned "American Indian Movement," WFO File 46-0 with a copy to WFO File 157-5476.

The enclosed reports are not needed at the Bureau as copies have already been sent to Milwaukee by WFO. Milwaukee is to open a new FAG case on subject and will be office of origin.

WFO should return the original reports to OEO and determine from OEO what action they are taking concerning the possible FAG violation by Herbert George Powless. WFO should note the report of inspection by OEO dated 5/4/73, has a restriction which does not allow reproduction of the OEO Audit Report without permission of the Inspection Division. The use of this information in the investigation and referring same to the United States Attorney should be clarified.

Enclosures (3)

EX-112 REC-41 46-65981-2

1 - WFO (46-0, American Indian Movement, EM) RE OCT 24 1973

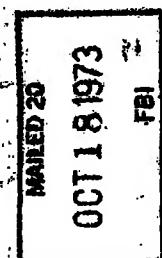
2 - Milwaukee (46-New)
(157-2034)

1 - (RECORDED)

JRP: Gf file 10/18/1973

MAIL ROOM TELETYPE UNIT

UNRECORDED COPY FROM WFO



Assoc. Dir. _____
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Admin. _____
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Inspection _____
Intell. _____
Laboratory _____
Plan. & Eval. _____
Spec. Inv. _____
Training _____
Legal Coun. _____
Telephone Rm. _____
Director Sec'y _____

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (46-NEW)

DATE: 11/8/73

FROM: SAC, WFO (157-5884) (P)

SUBJECT: HERBERT GEORGE POWLESS
FAG
(OO:MI)

ReBureau letter to WFO, dated 10/18/73, and captioned as above; reBureau letter to Denver dated 10/9/73, with dual caption, "HERBERT GEORGE POWLESS, EM-AIM, MI file 157-2034 [REDACTED]; Bufile 157-28734, AMERICAN INDIAN MOVEMENT (AIM); EXTREMIST MATTER."

On 10/23/73, the three original reports of investigation conducted by the Office of Economic Opportunity (OEO), Inspection Division, concerning the American Indian Movement were returned to [REDACTED] Security and Investigations, Department of Health, Education, and Welfare (DHEW), Washington, D. C. (WDC). [REDACTED] advised that these reports were considered a closed matter at the DHEW because OEO was not a part of the DHEW at the time the investigations were conducted.

[REDACTED] placed no restrictions upon the FBI's reproduction of these reports for use in their investigation [REDACTED] or the disclosure of the information in these reports to the United States Attorney. ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

ADMINISTRATIVE DATE 1-24-84 BY SP5 RJC/DMC

CP#032147-001

Milwaukee should be in receipt of the following three OEO reports.

- ④ - Bureau
 - (2-46-NEW)
 - (1-157-28734)
 - (1-100-462483)
- 4 - Milwaukee
- 2 - Denver
- 2 - Phoenix
- 3 - WFO
 - (1-157-5476)
 - (1-46-0)

REC-57

EX-111

22 NOV 8 1973

RSB:lb
(15)





NOV 14 1973 U.S. Savings Bonds Regularly on the Payroll Savings Plan

151-28734-
100-462483-
RECORDED COPY FILED
6/6/73
6/7/73

WFO 157-5884

1. Upper Midwest American Indian Center (UMAIC),
and The American Indian Movement (AIM), dated 11/15/72.

2. Upper Midwest American Indian Center (UMAIC),
and The American Indian Movement (AIM), dated 11/30/72.

3. American Indian Movement (AIM), Upper Midwest
American Indian Center (UMAIC), Community Relations-Social
Development Commission (CR-SDC), dated 5/4/73.

WFO has kept one copy each of the above three reports in the event that a copy was not received by the Milwaukee Division. WFO will destroy these copies in 30 days unless requested by the Milwaukee Division or advised to the contrary.

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE MILWAUKEE	OFFICE OF ORIGIN MILWAUKEE	DATE 11/27/73	INVESTIGATIVE PERIOD 9/12/73 - 11/21/73
TITLE OF CASE HERBERT GEORGE POWLESS		REPORT MADE BY SA [redacted]	TYPED BY d b6 d b7C
		CHARACTER OF CASE FAG	

REFERENCES

157-28724-14
 WFO letter to the Bureau, dated 9/17/73.
 Milwaukee teletype to the Bureau, dated 10/11/73.
 Bureau telephone call to Milwaukee, dated 10/12/73.
 Bureau letter to WFO, dated 10/18/73.
 Milwaukee letter to the Bureau, dated 10/30/73.
 WFO letter to the Bureau, dated 11/8/73.

- P -

ENCLOSURES

Enclosed for Minneapolis are two Reports of Inspection, dated 11/30/72 and 5/4/73, and one memo, dated 11/15/72 from the Office of Economic Opportunity. Because of the bulk of the enclosures, only one copy of each is being submitted to Minneapolis.

ACCOMPLISHMENTS CLAIMED					<input checked="" type="checkbox"/> NONE	ACQUIT-TALS	CASE HAS BEEN:
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES			PENDING OVER ONE YEAR <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
						None	PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

APPROVED	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE: 5 - Bureau 4 - (46-NEW) 1 - (157-28734) 3 - Milwaukee 2 - (46-1173) 1 - (157-2034)		46-6-981-4 REC 22	ST-105
		6 DEC 5 1973	
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(Copy count continued on next page)

Dissemination Record of Attached Report				Notations
Agency	2-6 RDM			
Request Recd.	1-OEO			
Date Fwd.				
How Fwd.	51 DEC 13 1973	JRB		
By		12/18/73		

Unrecorded Copy Filed In 157-28734

MI 46-1173

- 1 - USA, Milwaukee
(ATTENTION: AUSA [redacted])
- 1 - Denver (Info)
- 4 - Minneapolis
3-(46-NEW) (Enc. 3)
1-(157-1458)
- 2 - Phoenix
1-(USA, Phoenix)
1-(Info)
- 2 - WFO
1-(46-)
1-(157-5476) (Info)

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ADMINISTRATIVE

It is noted the investigative period of this report exceeds that of normal reporting requirements; however, a Fraud Against the Government investigation was not instituted by Milwaukee until October 11, 1973. All information regarding this matter until that time had been handled only as an extremist matter.

Information copies are being submitted to Denver, Phoenix, and WFO because of their interest in this matter. Information copies are also being directed to the respective extremist matter files on the subject at the Bureau, Minneapolis, and Milwaukee, because of their interest in this matter.

LEADS

MINNEAPOLIS DIVISION

At St. Paul, Minnesota

Will conduct appropriate Fraud Against the Government investigation regarding St. Paul American Indian Movement (AIM) Survival School after appropriate review of enclosed reports.

MI 46-1173

At Minneapolis, Minnesota

1. Will contact appropriate officials at the Upper Midwest American Indian Center (UMAIC) and obtain documentation tracing the flow of funds from the Office of Economic Opportunity (OEO) through UMAIC to the three Indian schools and the Milwaukee AIM Center, amounting to [redacted]

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2. Obtain from appropriate officials at UMAIC the original accounting made by subject regarding the [redacted] loan made by UMAIC in May of 1972. These funds are reportedly given to subject for use by the Milwaukee AIM Survival School.

3. Conduct appropriate Fraud Against the Government investigation regarding Minneapolis AIM Survival School after review of the enclosed OEO reports.

MILWAUKEE DIVISION

At Milwaukee, Wisconsin

1. Will obtain records of the American City Bank and Trust Company regarding the payroll account of the Community Relations-Social Development Commission.

2. Will, after receipt of the above bank records, interview those people reportedly on the payroll of the Youth and Young Adult Social Services Program.

3. Will conduct appropriate investigation to substantiate findings of the OEO, concerning the [redacted] loan to the subject.

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4. Will maintain contact with United States Attorney's office regarding this matter.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Milwaukee
1 - USA, Phoenix

Report of: SA [redacted]
Date: November 27, 1973

Office: Milwaukee

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Field Office File #: MI 46-1173

Bureau File #: 46-NEW

Title: HERBERT GEORGE POWLESS

Character: FRAUD AGAINST THE GOVERNMENT

Synopsis: Investigation was predicated upon receipt of information from the Office of Economic Opportunity (OEO) which indicated that HERBERT GEORGE POWLESS had been involved in numerous violations of the Fraud Against the Government (FAG) statute, specifically findings indicating that several individuals were fraudulently placed on the Youth and Young Adult Social Services Program, which is federally funded and under the control of the Community Relations-Social Development Commission. POWLESS had misused federal funds which were to be given to the Milwaukee American Indian Movement (AIM) Survival School. ANTHONY MAGGIORE, Associate Director of the Community Relations-Social Development Commission, explained how federal funds flowed through his organization to the various AIM projects. Records of the Community Relations-Social Development Commission were reviewed and they indicated that 23 individuals had received payroll checks for work reportedly done under the Youth and Young Adult Social Services Program. Records of the American City Bank and Trust Company are in the process of being subpoenaed.

- P -

DETAILS:

This investigation was predicated upon receipt of information from ROBERT SLONAGER, Acting Chief of Operations, Department of Health, Education, and Welfare. This information is as follows:

MI 46-1173

By communication dated September 17, 1973
the Washington Field Office furnished the following
information:

On September 12, 1973, Mr. ROBERT SLONAGER,
Acting Chief of Operations, Department of Health,
Education, and Welfare (HEW), advised that a limited
investigation was conducted by HEW concerning the use
of Federal funds by the subject as the Director of the
Indian Alcohol and Drug Abuse Outreach Program.

[redacted] Former Chief of
Investigations, HEW, advised on September 12, 1973, that
this program was funded by HEW through the National
Institute of Alcohol Abuse and Alcoholism for the amount
requested under the fund application number [redacted]
[redacted] further advised that the program is currently
in its second year and the limited investigation conducted
by HEW did not indicate any irregularities with this
program.

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Mr. ROBERT SLONAGER advised on September 12,
1973, that a more extensive investigation was conducted
by the Inspectors and Auditors of the Office of Economic
Opportunity (OEO) prior to the transfer of OEO functions
to the Department of Health, Education, and Welfare.

On September 12, 1973, [redacted] Office
of Inspections, OEO, 1200 19th Street, NW, Washington,
D.C., advised that OEO was the original funding source
to a community action agency in Milwaukee, Wisconsin,
called the Community Relations-Social Development
Commission (CR-SDC) which was responsible for channeling
Federal Funds to the Milwaukee Indian Movement which was
headed by the subject. [redacted] advised that the
Inspection Team discovered numerous discrepancies in the
handling of these funds by the subject and his associates,
all of which are set out in the enclosed OEO report.

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[redacted] advised he will be completely
available to assist the Federal Bureau of Investigation
in any way possible in the investigation of this matter.

MI 46-1173

On October 23, 1973, the three original reports of investigation conducted by the OEO, Inspection Division, concerning the American Indian Movement (AIM) were returned to [redacted] Chief, Security and Investigations, Department of Health, Education, and Welfare, Washington, D.C. [redacted] advised that these reports were considered a closed matter at the Department of Health, Education, and Welfare because OEO was not a part of the HEW at the time the investigations were conducted.

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[redacted] placed no restrictions upon the Federal Bureau of Investigation's reproduction of these reports for use in their investigation or the disclosure of the information in these reports to the United States Attorney.

The reports of the OEO were reviewed by Special Agent [redacted] and these reports set forth findings which indicated that [redacted]

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[redacted] were fraudulently placed on the Youth and Young Adult Social Services Program payroll, as these individuals never worked for the CR-SDC nor did they ever receive the proceeds of their payroll checks. [redacted]

[redacted] also were on the payroll, but according to witnesses were never working for CR-SDC. Their reports also set forth numerous specific instances in which POWLESS misused funds which were to be used by the Milwaukee AIM Survival School.

On October 11, 1973, Assistant United States Attorney [redacted], Eastern District of Wisconsin, Milwaukee, Wisconsin, was advised of the facts presented in the above OEO reports. He advised that if OEO was not going to pursue this matter, then the facts reported in the reports should be verified by the Federal Bureau of Investigation and the results would be presented to the Federal Grand Jury in the Eastern District of Wisconsin.

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FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 11/19/73

ANTHONY MAGGIORE, Assistant Director, Community Relations-Social Development Commission (CR-SDC), was advised of the identity of the interviewing Agents and the purpose of the interview. MAGGIORE requested the presence of his Administrative Assistant, [redacted]. He then provided the following information:

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MAGGIORE advised that CR-SDC is an organization set up specifically to channel Federal, State, and Local moneys to all of the various community and poverty programs. He also advised that because of the recent investigation by the Office of Economic Opportunity (OEO), he was aware of the programs that were currently being investigated.

MAGGIORE advised that there were three specific programs that HERBERT GEORGE POWLESS was directly or indirectly in control of. One program, which was a grant by OEO to the Upper Midwest American Indian Center (UMAIC) in Minneapolis, was not in any way related to CR-SDC and MAGGIORE could only provide sketchy, second hand information concerning this grant and the subsequent expenditures. A second program, which he was familiar with, was known as the Office of Education-National Institution of Mental Health Alcohol Program, as it was funded by OEO until September of 1972 at which time it was funded by the National Institute of Mental Health. This program is known locally as the American Indian Council on Alcoholism (AICA) or the Alcohol Program.

MAGGIORE advised that this program was tightly controlled by CR-SDC and he did not think that any fraud was involved in this program. He did advise, however, that if there were problems with this program, they would be in one of the following three areas:

Interviewed on 11/7/73 at Milwaukee, Wisconsin File # MI 46-1173

by SA [redacted] Date dictated 11/13/73 b6
SA [redacted] b7C
RHW/dmb

OUT OF TOWN TRAVEL

In order for moneys to be distributed as travel expenses, the individuals generally HERBERT GEORGE POWLESS, had to submit an authorization for any advance of funds prior to the travel and have this approved by CR-SDC. After the traveling, he then had to submit detailed explanations of his expenditures which were also approved by CR-SDC.

TELEPHONE CALLS

Under the above program, a fixed dollar amount of telephone calls could be made monthly. Initially, this figure was [redacted] per month, but has since dropped to [redacted] per month. MAGGIORE advised that this limitation is often exceeded, but if the calls were being made for legitimate reasons dealing with the Alcohol Program, no fraud would exist and it would be strictly a budgetary problem.

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PAYROLL

MAGGIORE advised that there were between eight to ten people on the payroll for this program. Because of the type of individuals that the program dealt with, there was an extremely high rate of turnover. MAGGIORE felt that with the controls that CR-SDC had on the payroll, most fraud in this area would have been eliminated.

The third program in which POWLESS was directly involved, was the Youth and Young Adult Social Services Program, more commonly known as the Title IV-A Program because it was authorized under Title IV-A of the Social Security Act. This program was funded as follows:

For every [redacted] in local contributions to the program, the State of Wisconsin Health and Social

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Services Department would grant [redacted] and the Federal Government, through the Department of Health, Education, and Welfare, would grant [redacted] therefore, every penny spent in this program was made up of 75 percent Federal funds. This program was instituted during the summer of 1972 and remained in effect through the end of the calendar year. MAGGIORE advised that approximately 2,500 local youth received benefits from this program. Students were paid at the rate of [redacted] per hour and worked a maximum of thirty hours per week under the program.

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CR-SDC was the controlling interest for this program and they in effect, authorized the placement of youth in various programs which they controlled. One of these was the AICA. MAGGIORE advised that youths who applied for a job with POWLESS were required to make a formal application. This application was then submitted to CR-SDC and was approved by them. POWLESS was then given notification that it was alright to hire these youths. MAGGIORE explained that this Title IV-A Program was originally handled by the American Indian Movement (AIM) but in December of 1972, the name was officially changed to AICA.

[redacted] MAGGIORE advised that [redacted] for CR-SDC, would be most familiar with the OEO investigation and the records required by the Federal Bureau of Investigation. He advised; therefore, that either [redacted] should be contacted regarding any further information.

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FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 11/20/73

[redacted] Community
Relations-Social Development Commission, was advised of
the identity of the interviewing Agents. Thereafter,
[redacted] produced all personnel records and payroll
records from which the following information was
gathered:

b6
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b7DInterviewed on 11/8/73 at Milwaukee, Wisconsin File # MI 46-1173by SA [redacted] Date dictated 11/14/73
SA [redacted]
SA [redacted]
RHW/dmbb6
b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

MI 46-1173

2

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Person to Notify in
Case of Emergency:
Date of Employment:

b6
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Period Ending Date of Pay Employee Number Hours Worked

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b6
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Amount of Pay Check Number Amount of Check Time Record *

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DC
NA
NA

MI 46-1173

3

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Person to Notify in
Case of Emergency:
Date of Employment:

b6
b7C
b7D

Period Ending Date of Pay Employee Number Hours Worked

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b6
b7C
b7D
b7E

Amount of Pay Check Number Amount of Check Time Record *

--

DC
NA

MI 46-1173

4

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Person to Notify in
Case of Emergency:
Date of Employment:

[Redacted]

b6

b7C

- b7D

Period Ending Date of Pay Employee Number Hours Worked

[Redacted]

b6

b7C

b7D

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Amount of Pay Check Number Amount of Check Time Record *

[Redacted]

[Redacted]

DC

[Redacted]

NA

NA

[Redacted]

MI 46-1173

5

Name:

Address:

Date of Birth:

Place of Birth:

Social Security Number:

Race:

Sex:

Person to Notify in

Case of Emergency:

Date of Employment:

b6

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b7D

<u>Period Ending</u>	<u>Date of Pay</u>	<u>Employee Number</u>	<u>Hours Worked</u>

b6

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<u>Amount of Pay</u>	<u>Check Number</u>	<u>Amount of Check</u>	<u>Time Record *</u>

b7D

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MI 46-1173

6

Name:

Address:

Date of Birth:

Place of Birth:

Social Security Number:

Race:

Sex:

Person to Notify in

Case of Emergency:

Date of Employment:

b6

b7C

b7D

Period Ending

Date of Pay

Employee Number

Hours Worked

b6

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b7E

Amount of Pay

Check Number

Amount of Check

Time Record *

Federal Tax

MI 46-1173

7

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Date of Employment:

b6
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b7D

Period Ending Date of Pay Employee Number Hours Worked

Amount of Pay Check Number Amount of Check Time Record *

b6
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MI 46-1173
8

Name:

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Period Ending Date of Pay Employee Number Hours Worked

b6
b7C
b7D
b7E

Amount of Pay Check Number Amount of Check Time Record *

DC

NA

MI 46-1173

9

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Person to Notify in
Case of Emergency:
Date of Employment:

b6
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b7D

Period Ending Date of Pay Employee Number Hours Worked

b6
b7C
b7D
b7E

Amount of Pay Check Number Amount of Check Time Record *

DC
 NA
 NA

HP
HP
HP

MI 46-1173
10

Name:

Address:

Date of Birth:

Place of Birth:

Social Security Number:

Race:

Sex:

Person to Notify in

Case of Emergency:

Telephone:

Date of Employment:

b6
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b7D

<u>Period Ending</u>	<u>Date of Pay</u>	<u>Employee Number</u>	<u>Hours Worked</u>

b6
b7C
b7D
b7E

<u>Amount of Pay</u>	<u>Check Number</u>	<u>Amount of Check</u>	<u>Time Record*</u>

<u>Amount of Pay</u>	<u>Check Number</u>	<u>Amount of Check</u>	<u>Time Record*</u>

DC
 NA
 NA

MI 46-1173
11

b6
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b7D

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Person to Notify in
Case of Emergency:
Date of Employment:
Telephone Number:

Period Ending Date of Pay Employee Number Hours Worked

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Amount of Pay Check Number Amount of Check Time Record *

DC

NA

NA

MI 46-1173

12

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Person to Notify in
Case of Emergency:
Date of Employment:

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Period Ending Date of Pay Employee Number Hours Worked

b6
b7C
b7D
b7E

Amount of Pay Check Number Amount of Check Time Record *

NA
NA

MI 46-1173

13

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Person to Notify in
Case of Emergency:
Date of Employment:

b6
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Period Ending Date of Pay Employee Number Hours Worked

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b6
b7C
b7D
b7E

Amount of Pay Check Number Amount of Check Time Record *

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HP

HP

MI 46-1173
14

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Person to Notify in
Case of Emergency:
Date of Employment:
Telephone Number:

[Redacted]

b6
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b7D

Period Ending Date of Pay Employee Number Hours Worked

[Redacted]

b6
b7C
b7D
b7E

Amount of Pay Check Number Amount of Check Time Record *

HP, AS

MI 46-1173

15

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Person to Notify in
Case of Emergency:
Date of Employment:
Telephone number:

b6
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b7D

Period Ending Date of Pay Employee Number Hours Worked

b6
b7C
b7D
b7E

Amount of Pay Check Number Amount of Check Time Record *

NA

MI 46-1173
16

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Person to Notify in
Case of Emergency:
Date of Employment:

b6
b7C
b7D

Period Ending Date of Pay Employee Number Hours Worked

b6
b7C
b7D
b7E

Amount of Pay Check Number Amount of Check Time Record *

NA

MI 46-1173
17

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Person to Notify in
Case of Emergency:
Date of Employment:

b6
b7C
b7D

Period Ending Date of Pay Employee Number Hours Worked

b6
b7C
b7D
b7E

Amount of Pay Check Number Amount of Check Time Record *

Federal Tax

MI 46-1173

18

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Person to Notify in
Case of Emergency:
Date of Employment:

b6
b7C
b7D

Period Ending Date of Pay Employee Number Hours Worked

b6
b7C
b7D
b7E

Amount of Pay Check Number Amount of Check Time Record *

HP
HP
HP
HP

MI 46-1173
19

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Person to Notify in
Case of Emergency:
Date of Employment:

b6
b7C
b7D

Period Ending Date of Pay Employee Number Hours Worked

b6
b7C
b7D
b7E

Amount of Pay Check Number Amount of Check Time Record *

HP
HP
HP
HP
HP
HP

MI 46-1173
20

Name:

Address:

Date of Birth:

Place of Birth:

Social Security Number:

Race:

Sex:

Person to Notify in

Case of Emergency:

Date of Employment:

b6

b7C

b7D

Period Ending

Date of Pay

Employee Number

Hours Worked

Amount of Pay

Check Number

Amount of Check

Time Record *

HP
HP
HP
HP
HP

MI 46-1173
21

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Person to Notify in
Case of Emergency:
Date of Employment:
Telephone number:

b6
b7C
b7D

Period Ending Date of Pay Employee Number Hours Worked

b6
b7C
b7D
b7E

Amount of Pay Check Number Amount of Check Time Record *

DC
 NA
 NA
 NA

MI 46-1173

22

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Person to Notify in
Case of Emergency:
Date of Employment:

b6
b7C
b7D

<u>Period Ending</u>	<u>Date of Pay</u>	<u>Employee Number</u>	<u>Hours Worked</u>
----------------------	--------------------	------------------------	---------------------

b6
b7C
b7D
b7E

<u>Amount of Pay</u>	<u>Check Number</u>	<u>Amount of Check</u>	<u>Time Record *</u>
----------------------	---------------------	------------------------	----------------------

DC

MI 46-1173
23

Name:
Address:

Date of Birth:
Place of Birth:
Social Security Number:
Race:
Sex:
Person to Notify in
Case of Emergency:
Date of Employment:

b6
b7C
b7D

<u>Period Ending</u>	<u>Date of Pay</u>	<u>Employee Number</u>	<u>Hours Worked</u>
<input type="text"/>			

b6
b7C
b7D
b7E

<u>Amount of Pay</u>	<u>Check Number</u>	<u>Amount of Check</u>	<u>Time Record *</u>
<input type="text"/>		<input type="text"/> DC <input type="text"/> NA <input type="text"/>	

MI 46-1173

24

Name:

Address:

Date of Birth:

Place of Birth:

Social Security Number:

Race:

Sex:

Person to Notify in

Case of Emergency:

Date of Employment:

b6

b7C

b7D

Period Ending

Date of Pay

Employee Number

Hours Worked

Amount of Pay

Check Number

Amount of Check

Time Record *

NA
NA

MI 46-1173

25

* indicates that individuals approving the time record for the employee are as follows:

[redacted]

HP is HERBERT POWLESS

NA is No Approval by Supervisor

DC is Duplicate Check issued erroneously; not cashed.

[redacted] advised that their payroll function is performed by the American City Bank and Trust Company and that all original checks would be in their custody. He further advised that the individual to contact regarding these checks would be [redacted]

b6
b7C
b7D

b6
b7C
b7D

FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 11/28/73

[redacted] made available the original checks drawn on the account of the Community Relations-Social Development Commission (CR-SDC) at the Midland National Bank, under the account number [redacted]. Checks furnished were numbered as follows:

Check number
Check number
Check number
Check number
Check number
Check number
Check number

[redacted]

payable to
payable to
payable to
payable to
payable to
payable to
payable to

[redacted]

In addition, [redacted] furnished photostatic copies of the above checks, check stubs, and time record or payroll sheet.

b6
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b7E

Interviewed on 11/15/73 at Milwaukee, Wisconsin File # MI 46-1173

by SA [redacted] dmb Date dictated 11/21/73

b6
b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 11/27/73

[redacted] American
City Bank and Trust Company, was advised of the identity of the interviewing Agent and the purpose of the interview. Thereafter [redacted] furnished the following information:

b6
b7C

Records of the American City Bank and Trust Company were confidential and could not be made public without the issuance of a subpoena duces tecum.

A subpoena duces tecum directed to the [redacted]

[redacted] on November 15, 1973, and was presented to [redacted]

b6
b7C

[redacted] advised at that time, that he would inform the appropriate legal authorities at the bank and begin preparing the records requested.

On November 21, 1973, [redacted] was recontacted, at which time he advised that the records would be available on approximately November 28, 1973.

Interviewed on 11/19 - 21/73 at Milwaukee, Wisconsin File # MT 46-1173

by SA [redacted] Date dictated 11/21/73

b6
b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE MINNEAPOLIS	OFFICE OF ORIGIN MILWAUKEE	DATE 2/1/74	INVESTIGATIVE PERIOD 12/18/73 - 1/23/74
TITLE OF CASE HERBERT GEORGE POWLESS		REPORT MADE BY [redacted]	TYPED BY dea
		CHARACTER OF CASE FAG	

b6
b7cREFERENCE

Milwaukee report of SA [redacted] 11/27/73 and
Minneapolis airtel to Milwaukee, 1/25/74.

- RUC -

ADMINISTRATIVE

An information copy is being furnished WFO, who has previously contacted Government Agencies in Washington, D. C., concerning this matter, for information and to facilitate any inquiry WFO may receive concerning this matter in the future.

For the information of the Bureau, Milwaukee was requested to reconsider need for investigation in the Upper Midwest Indian Center, Minneapolis, Minnesota, and if it was determined information

ACCOMPLISHMENTS CLAIMED					<input checked="" type="checkbox"/> NONE	ACQUIT-TALS	CASE HAS BEEN:
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES			PENDING OVER ONE YEAR <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
							PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

APPROVED <i>JHT/AT</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
------------------------	----------------------------	------------------------------	--

COPIES MADE:

- 4 - Bureau
- 1 - USA, Minneapolis, Minnesota
- 4 - Milwaukee (46-1173)
(1-USA, Milwaukee, Wisconsin)
- 1 - WFO (INFO)
- 5 - Minneapolis (46-3357)
(1-157-1458 Sub A)
(1-157-1475) (1-157-1933)
(1-176-160)

46-65281-5 REC-50

REC FEB 7 1974

Dissemination Record of Attached Report				Notations
Agency	<i>2 WFO</i>			<i>DATA PROC</i>
Request Recd.	<i>1-020</i>			
Date Fwd.				
How Fwd.	<i>2</i>			<i>JRB</i> <i>2/19/74</i>
By				
<i>65 FEB 1974</i>				

MP 46-3357

there was needed, Milwaukee was requested to contact U. S. Attorney, Milwaukee, Wisconsin, regarding obtaining of this information by means of Federal Grand Jury subpeona, in view of trial of National AIM leaders, DENNIS BANKS and RUSSELL MEANS, which is now in progress in St. Paul, Minnesota. Defense attorneys for these individuals have made unjustified charges of FBI harrassment at the trial.

- B* -
COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

1 - USA, Minneapolis, Minnesota
 Copy to: 1 - USA, Milwaukee, Wisconsin

Report of [redacted]
 Date: February 1, 1974

Office: Minneapolis, Minnesota b6
 b7C

Field Office File #: 46-3357

Bureau File #:

Title: HERBERT GEORGE POWLESS

Character: FRAUD AGAINST GOVERNMENT

Synopsis: OEO reports show the Upper Midwest American Indian Center, Minneapolis, Minnesota, between April 28, and November, 1972, loaned [redacted] respectively, to the Minneapolis, St. Paul, and Milwaukee Chapters of the American Indian Movement (AIM), for operation by each of an Indian Survival School. OEO found no misuse of funds by AIM, Minneapolis, but despite repeated requests, was unable to obtain a record of expenditures from AIM, St. Paul. OEO concluded the majority of the money provided AIM, St. Paul, had been spent on staff salaries. AUSA, Minneapolis, declines prosecution.

b7E

- RUC -

DETAILS

Investigation of this matter within the Minneapolis Division was instituted following receipt of information from the Milwaukee Office which indicated subject POWLESS, a former director of the American Indian Movement (AIM), Milwaukee, Wisconsin, was under investigation for alleged Fraud Against Government violations. The Milwaukee Division furnished copies of three reports by the Office of Economic Opportunity (OEO), which set forth information concerning their inquiries with respect to funds to the Upper Midwest American Indian Center, Minneapolis, Minnesota, furnished to AIM Chapters at Minneapolis, St. Paul, and Milwaukee, for operation of an Indian Survival School in their respective cities.

MP 46-3357

(1)

LRV:rjt

Review of reports by the Office of Economic Opportunity (OEO), dated November 15, 1972, November 30, 1972, and May 4, 1973, concerning certain inquiries about the American Indian Movement (AIM), the Upper Midwest American Indian Center (UMAIC), and the Community Relations - Social Development Commission (CR-SDC), showed the following with respect to funds UMAIC furnished the AIM chapters at Minneapolis, St. Paul and Milwaukee for the operation of Indian schools in their respective cities:

UMAIC loaned a total of [redacted] to the three AIM Chapters from a bank account which held monies from private sources and from OEO grant(s) for operation of a Model Urban Indian Center (MUIC) as authorized by the Economic Opportunity Act. It appears likely the account referred to is account [redacted] at the First Plymouth National Bank, Minneapolis, Minnesota. [redacted] President of that bank, reportedly related after analyzing this account November 20, 1972, that checks for both UMAIC and the three school programs were drawn on it. UMAIC was to recover the loaned amounts from a [redacted] OEO grant to UMAIC for funnelling to the Minneapolis, St. Paul and Milwaukee AIM Chapters for operation of the three survival schools.

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Of the [redacted] "loaned" between April 28, 1972 - November, 1972, the Minneapolis, St. Paul and Milwaukee AIM chapters received the following amounts respectively:
[redacted] UMAIC's only supporting documentation for the loans are cancelled checks.

b7E

With respect to the [redacted] loaned to Minneapolis AIM, the OEO Inspection and Audit team found no evidence of misuse of funds. OEO examined the Minneapolis AIM School checking account [redacted] at First Plymouth National Bank,

MP 46-3357

(2)

LRV:rjt

Minneapolis, and contacted UMAIC and the Minneapolis AIM School personnel and concluded the money provided by UMAIC approximated payroll estimates for the Minneapolis Survival School.

With respect to the [redacted] loaned to St. Paul AIM for operation of the Red School House, OEO reported that despite repeated requests, no records of expenditures were provided. Reportedly, on March 13, 1973, OEO showed [redacted]

[redacted] St. Paul AIM, a report reflecting the sum of [redacted] was loaned by UMAIC to the Red School House. [redacted] informed the amount appeared correct. On November 22, 1972, and March 13, 1973, he advised OEO he did not have any records available for inspection, but was in the process of attempting to compile a financial statement which would indicate how the funds were spent. OEO reported concluding that the majority of the money received by the St. Paul school had been spent on salaries for the staff of the school.

OEO accounting identifies October and November, 1972, net payrolls as [redacted] respectively, and refers to six bills for supplies, services and equipment paid to vendors in the total amount of [redacted]. This likely refers to disbursements made through UMAIC, which leaves approximately [redacted] earlier provided to AIM, St. Paul, by UMAIC which is unaccounted for.

[redacted] the St. Paul school, advised OEO that all his attempts to properly account for funds received by [redacted] have been virtually impossible, mainly because of the lack of basic bookkeeping techniques and the maintenance of strong fiscal discipline on the part of [redacted]. According to [redacted] AIM St. Paul had an account

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b7E

b7E

b6
b7C

MP 46-3357

(3)

LRV:rjt

at the First Plymouth Bank of St. Paul which contained OEO funds and other funds which were maintained before the receipt of OEO funds. [redacted] reported it would be exceedingly difficult to attempt to trace the disbursement of any OEO funds inasmuch as they have been co-mingled with funds from other sources.

b6
b7C

With respect to the [redacted] loaned to Milwaukee AIM, HERBERT POWLESS [redacted] and associates, failed to send any funds on to the school, but spent much of it instead for non-program related costs. By letter August 22, 1972, POWLESS furnished a statement showing alleged expenditures of the [redacted] loaned to Milwaukee AIM by UMAIC which OEO considers a false statement as it listed purposes for expenditures which were deliberately false and misleading.

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MP 46-3357

On January 23, 1974, the facts of the OEO reports
were reviewed by First Assistant U. S. Attorney [redacted]
with Special Agent Accountant [redacted]
[redacted]

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[redacted]
b5
b6
b7C
b7E

13

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE MILWAUKEE	OFFICE OF ORIGIN MILWAUKEE	DATE 1/31/74	INVESTIGATIVE PERIOD 12/20/73 - 1/28/74
TITLE OF CASE HERBERT GEORGE POWLESS		REPORT MADE BY SA [redacted]	TYPED BY duz b6 b7C
		CHARACTER OF CASE FAG	

REFERENCES

Milwaukee report of SA [redacted] 11/27/73;
Minneapolis airtel to Milwaukee, 1/25/74.

- P -

ADMINISTRATIVE

Information copies being submitted to Denver, Minneapolis, Phoenix, and WFO because of their interest in this matter.

Minneapolis Division advised as follows:

Trial of National AIM leaders RUSSELL CHARLES MEANS and DENNIS JAMES BANKS commenced in United States District Court, St. Paul, Minnesota, 1/8/74, and is expected to go on for an extended

ACCOMPLISHMENTS CLAIMED

 NONE

ACQUIT-TALS

CASE HAS BEEN:

PENDING OVER ONE YEAR YES NO
PENDING PROSECUTION
OVER SIX MONTHS YES NO

APPROVED

SPECIAL AGENT
IN CHARGE

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COPIES MADE:

5 - Bureau (4-46-
(1 - 157-28734))

46-65981	6	REC 27
D-100		
12 FEB 8 1974		

3 - Milwaukee (46-1173)
(1 - 157-2034) (Info)

Dissemination Record of Attached Report

Agency	Report
Request Recd.	1-0200
Date Fwd.	J.R.B. (1/28/74)
How Fwd.	1/28/74
By	1/28/74

Notations

DATA PROC
DATA PROC

80 FEB 20 1974

COPY COUNT

5 - Bureau (4- 46-)
(1 - 157-28734)

1 - USA, MILWAUKEE

1 - Denver (Info)

2 - Minneapolis (46-3357) (157-1458)

2 - Phoenix (Info)
(1 - USA, Phoenix)

2 - WFO (1 - 46-) (Info)
(1 - 157-5476) (Info)

3 - Milwaukee (46-1173)
(1 - 157-2034) (Info)

ADMINISTRATIVE CONTINUED

period. A tense situation surrounds this trial. Defense attorneys have unjustly charged FBI harassment at the trial and while the trial is in progress, will likely seize on any information to make additional such charges. Minneapolis believes UMAIC would be cooperative in the furnishing of information but likely could not do so without AIM becoming aware. In view of this Minneapolis has not contacted UMAIC concerning an investigation of AIM as requested in referenced report.

[REDACTED] (Protect). [REDACTED]

b6
b7C
b7D
b7E

[REDACTED] (Protect). [REDACTED]

[REDACTED]

- B -

COVER PAGE

LEADS

THE PHOENIX DIVISION

At Phoenix, Arizona:

Will report results of subject's trial as they develop.

THE MINNEAPOLIS DIVISION

At Minneapolis, Minnesota:

Will hold in abeyance leads requested in referenced report until such time as Minneapolis deems it appropriate. Should such information be needed by Milwaukee prior to coverage by Minneapolis, a FGJ subpoena will be considered as recommended in referenced airtel.

THE MILWAUKEE DIVISION

At Milwaukee and Neopit, Wisconsin:

Will continue efforts to locate and interview all employers of the Youth and Young Adult Social Services Program.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, MILWAUKEE
1 - USA, PHOENIX

Report of: SA [redacted]
Date: January 31, 1974

Office: MILWAUKEE

b6
b7C

Field Office File #: MI 46-1173

Bureau File #:

Title: HERBERT GEORGE POWLESS

Character: FRAUD AGAINST THE GOVERNMENT

Synopsis: Efforts to locate the following have been negative to date: [redacted]

b6
b7C
b7D

[redacted] Signed statements were obtained from [redacted]

[redacted] was interviewed. [redacted] advised that several checks reportedly issued to her were never received and were not endorsed by her.

- P -

DETAILS:

MI 46-1173

EFFORTS TO LOCATE VARIOUS EMPLOYEES OF THE
YOUTH & YOUNG ADULT SOCIAL SERVICES PROGRAM

MI 46-1173

GAP/lav

1

The following investigation was conducted by Special Agents [redacted] b6
[redacted] at Milwaukee, b7C
Wisconsin:

On December 20, 1973, a check was conducted at [redacted]
[redacted] which revealed that [redacted] never lived at this address according to
the neighbors.

On December 20, 1973, a check of Department of Motor
Vehicle records in Madison, Wisconsin disclosed that
[redacted] date of birth - [redacted], resides
at [redacted] [redacted] was described as
an Indian male, [redacted]

b6
b7C

On January 2, 1974, LINDA SPRAGUE, Postal Clerk, Layton
Park Station Post Office, advised that she had no new
listing for [redacted] and that according to the records,
he still resides at [redacted]

On January 2, 1974, contact was made with [redacted]
[redacted] and she advised that she has never
heard of a [redacted]
She did relate that [redacted]

b6
b7C
b7D

On January 2, 1974, [redacted] was interviewed
regarding his knowledge of the [redacted]

MI 46-1173

GAP/lav

2

On January 4, 1974, [redacted]

[redacted] related that

b6
b7C
b7D

MI 46-1173

GAP/lav

1

The following investigation was conducted by Special Agents
[redacted] at Milwaukee,
Wisconsin:

On December 20, 1973, a check was conducted at the last
listed address of [redacted]
[redacted] which proved to be negative. The residence was
vacant, and a neighbor. [redacted]
related [redacted]
[redacted]

b6
b7C

A record check was conducted at the Branch Post Office
at 56th Street and Center, which indicated no change
of address for [redacted]

b6
b7C

On December 20, 1973, a review of the Milwaukee City
Telephone Directory disclosed that [redacted]
resided at [redacted]

On the same date, a record check was conducted at the
Department of Motor Vehicles, Madison, Wisconsin, which
disclosed that [redacted] born [redacted]

[redacted] had a listed address of [redacted]
[redacted]

b6
b7C
b7D

On December 28, 1973, contact was made with [redacted]
[redacted] at her residence, [redacted]
and she related that [redacted]
[redacted]

MI 46-1173

HHM/brm

-1-

The following investigation was conducted by
Special Agent (SA) [redacted] and SA
[redacted] on January 2, 1974:

b6
b7C

At Milwaukee, Wisconsin

An attempt was made to locate [redacted]
[redacted] This attempt proved negative.
[redacted] advised that the
[redacted] their whereabouts are unknown. [redacted]

b6
b7C

LINDA SPRAGUE, Layton Park Station, United
States Post Office, advised that the [redacted]
moved from the [redacted] address
on [redacted] and left no forwarding address.

MI 46-1173

CES/cmg

1

The following investigation was conducted by
Special Agent [redacted]

b6
b7C

AT MILWAUKEE, WISCONSIN

On December 27, 1973, [redacted]
[redacted] advised [redacted]
[redacted] He stated that [redacted] went to [redacted] approx-
imately [redacted] and returned to [redacted] approxi-
mately [redacted]
[redacted] stated he had
no idea where [redacted] might be located.

b6
b7C
b7D

-1-

KHM:mhb
MI 46-1173

b6
b7C

The following investigation was conducted by Special Agent [redacted] at Milwaukee, Wisconsin:

On January 3, 1973, an attempt was made to locate [redacted]

Occupants of that residence advised that [redacted] was unknown to them and could not recall anyone by that name living in that vicinity.

b6
b7C

On the same date, an attempt was made to contact [redacted] at telephone number [redacted]. An unknown female who answered the telephone advised that this was not the [redacted] residence and that [redacted] was unknown to her.

On the same date, an attempt was made to contact [redacted] telephone [redacted] who was listed on [redacted] Youth Employment Application as the person to [redacted]. A special telephone company operator on a recorded announcement advised that this telephone number was not assigned. No telephone listing was located for [redacted]

b6
b7C

On the same date, an attempt was made to locate [redacted] with negative results. The individual living at that address advised that they know of no one by the name of [redacted]

b6
b7C

An attempt was made to telephonically contact [redacted] at telephone number [redacted] with negative results.

An attempt was made to telephonically contact [redacted]

[redacted] with negative results.

b6
b7C

On January 9, 1974, an inquiry was made of Wisconsin Transaction of Information for Management of Enforcement (TIME) terminal concerning [redacted] with the following results:

[redacted] date of birth [redacted] driver's license number [redacted] expires [redacted]
occupation [redacted] address [redacted]
additional address [redacted]
[redacted] (This address was obtained through motor vehicle records indicating [redacted] as the owner of a [redacted])

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b7C

-2-

[redacted] Vehicle Identification Number [redacted]

The TIME inquiry was unable to provide any information regarding [redacted]

b6
b7c

MI 46-1173

RHW/nma

1

The following investigation was conducted by
Special Agent [redacted]

b6
b7c

At Milwaukee, Wisconsin

Attempts to locate [redacted]
[redacted] negative as that address is non-existent.
The Milwaukee City Directory lists [redacted]
[redacted]

[redacted] Apartment Manager, [redacted]
[redacted] advised that [redacted] vacated apartment
[redacted] and left no forwarding
address.

b6
b7c

Attempts to locate [redacted]
[redacted] were
negative. There was no indication as to the identity
of the residents of this address located on either
the door or the mailbox.

A review of the Milwaukee City Directory
for [redacted] that occupants
have either an unlisted or unpublished telephone
number, therefore they are not identified.

Attempts to locate [redacted] on January
22, 1974 and January 24, 1974, were negative. Also,
attempts to locate [redacted]
[redacted] January 24, 1974, were negative. The name
appearing on the mailbox at this address is [redacted]
which could be identical to [redacted] who is
[redacted] reportedly worked
for this agency.

b6
b7c

MI 46-1173

The following investigation was conducted by
SA [redacted]

b6
b7C

At Milwaukee, Wisconsin:

On December 26, 1973, [redacted]
[redacted] advised that [redacted]
[redacted] She stated she did not know
[redacted] current whereabouts and felt she may have
gone back to [redacted] further
advised that [redacted]
[redacted]

b6
b7C

On January 2, 1974, a review of the personnel
records of [redacted]
disclosed that [redacted]
[redacted] Her home address was listed as [redacted]
[redacted] and her telephone number
as [redacted]

On January 4, 8, 9, 23, and 25, 1974, attempts
were made to contact [redacted]
On each of these occasions, there was no one at home.

b6
b7C

MI 46-1173

MAH/lav

1

b6
b7C

The following investigation was conducted by Special Agent [redacted] at Milwaukee, Wisconsin:

On January 7, 1974, attempts to contact [redacted] met with negative results. [redacted] currently residing [redacted]

[redacted]
[redacted] He said that to his knowledge no one by the name of [redacted] has ever resided at this address.

b6
b7C

On January 9, 1974, Department of Transportation printout shows [redacted] residing at [redacted]

-1-

RLH:kjs
MI 46-1173

The following investigation was conducted by Special Agents [redacted] at Milwaukee, Wisconsin:

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On January 14, 1974, attempts to locate [redacted]

[redacted] at their listed residence, [redacted]
[redacted] revealed the following:

[redacted] advised that [redacted]
these individuals presently reside at this address and have not resided there for several years. She advised that she is [redacted]

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On January 21, 1974, records of the [redacted]

[redacted] were checked and it was determined that [redacted]

[redacted] listing his residence as [redacted]

b6
b7C

On January 21, 1974, [redacted] Records Clerk, Milwaukee County Sheriff's Office, and [redacted] Records Clerk, Milwaukee Police Department, advised they were unable to locate any record regarding [redacted]

MI 46-1173

On January 11, 1974, a TIME check was initiated
on [redacted] date of birth [redacted]
which shows that subject lives at [redacted]
[redacted]

b6
b7c

MI 46-1173

SIGNED STATEMENTS OBTAINED FROM
EMPLOYEES OF THE YOUTH AND YOUNG ADULT
SOCIAL SERVICES PROGRAM

FEDERAL BUREAU OF INVESTIGATION

b6
b7C
b7DDate of transcription December 26, 1973

After being advised of the identity of the interviewing Agents, the nature of the inquiry, and being placed under oath by SA [redacted] he furnished the following information:

"December 26, 1973

"I, [redacted] being duly sworn, make the following statements to [redacted]
[redacted] who have identified themselves to me as Special Agents of the FBI and who have told me this matter concerns alleged fraud against the government.

"In August 1972. [redacted]

[redacted]
[redacted] I have examined [redacted] checks from [redacted] and verify that they were paid to me and the endorsement is my valid signature. I have no knowledge of any fraud connected with this program.

"I have read the above statement and sign it because it is true.

b6
b7C
b7D
b7E

/s/ [redacted]

"Sworn to and subscribed before me on 12/26/73 at Milwaukee, Wisconsin:

[redacted] Special Agent, FBI Milwaukee

"Witness:
[redacted]

SA, FBI, Milwaukee, 12/26/73."

The following description was obtained through interview and observation:

Interviewed on 12/26/73 at Milwaukee, Wisconsin File # MI 46-1173

by SA [redacted] and duz Date dictated 12/26/73

b6
b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FEDERAL BUREAU OF INVESTIGATION

Date of transcription

1/9/74

-1-

[redacted]
 [redacted] he provided the following sworn signed statement:

"January 2, 1974
 Milwaukee, Wisconsin

"I [redacted] being duly sworn, hereby make the following free and voluntary statement. I have been informed by Special Agents [redacted] and [redacted] that they are with the Federal Bureau of Investigation and that they are conducting an investigation concerning fraud against the government.

b6
 b7C
 b7D

[redacted]

b6
 b7C
 b7D
 b7E

"I was shown the following cancelled checks by SA [redacted]

"Check Number [redacted] in the amount of [redacted]
 Check Number [redacted] for [redacted]
 [redacted] in the amount of [redacted]
 of [redacted] I recognized the above checks

Interviewed on 1/2/74 at Milwaukee, Wisconsin File # MI 46-1173

SA
 by SA [redacted]

(HEM/bm) Date dictated

1/4/74

b6
 b7C

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MI 46-1173

-2-

as those received by me in payment for
my work with the above organization.

b6
b7C
b7D

[redacted] I had no shortages
in my pay and I received all the checks
I was supposed to receive. I do not
know of any person who fraudulently
received funds or made fraudulent payments
to anyone.

"/s/ [redacted]
1/2/74

"Sworn to and subscribed before
me on January 2, 1974.

"Witnesses:

/s/ [redacted] Special Agent,
FBI, Milwaukee, Wisc.
/s/ Special Agent [redacted] FBI,
Milwaukee Div., 1/2/74".

b6
b7C

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/11/741

The following signed statement was furnished to
 Special Agents [redacted] by
 [redacted] and is as follows:

b6
b7C
b7D

January 2, 1974
 Milwaukee, Wisconsin

"I [redacted] being duly sworn, make the
 following statements to [redacted]
 [redacted] who have identified themselves
 to me as Special Agents of the FBI and who told me
 this matter concerning alleged submission of
 false information to the federal Government in
 connection with a federally funded project.

b6
b7C
b7D
b7E

[redacted] There were no irregularities in my
 pay and to the best of my knowledge all other
 employees were duly paid for work performed. I
 have reviewed check [redacted] the
 counter signatures are mine.

"I have read the above statement consisting
 of this handwritten page. I have initialed this
 page and now sign it because it is true.

"/s/ [redacted]

"Witnesses:

/s/ [redacted] Special Agent, FBI, Milwaukee
 /s/ [redacted] Special Agent, FBI, Milwaukee

b6
b7C

1/2/74 Milwaukee, Wisconsin File # MI 46-1173
 Interviewed on _____ at _____

SA's [redacted] &
 by [redacted] (CES/cmg)

1/8/74 Date dictated _____

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/21/74

[redacted] was advised of the identities of the interviewing Agents as Special Agents [redacted] of the Federal Bureau of Investigation and were questioning him regarding Fraud Against the Government. [redacted] was advised of his rights and provided with a Interrogation; Advice of Rights form, which he stated he understood and signed. He thereafter provided the following information:

b6
b7C
b7D

[redacted] advised that [redacted]

[redacted]

[redacted] was shown the following checks:

[redacted]

b6
b7C
b7D
b7E

[redacted] looked at these checks and advised that he signed the backs of these checks and cashed the money for himself. [redacted]

[redacted]

[redacted] advised that he does not know anyone who

Interviewed on 1/14/74 at Milwaukee, Wisconsin File # MI 46-1173

SA [redacted] &
by SA [redacted] GHB/bc Date dictated 1/18/74

b6
b7C

MI 46-1173

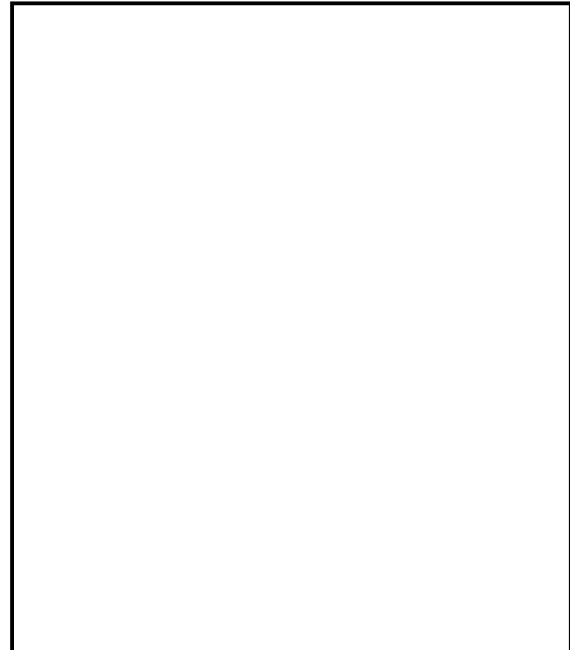
is in that program who did not receive money for the work that they did.

The following description was obtained through observation and interview:

Race
Sex
Date of Birth
Place of Birth
Height
Weight
Scar
Eyes
Hair
Social Security
Account Number
Employment

Education

Vehicle



b6
b7C
b7D

FEDERAL BUREAU OF INVESTIGATION

1/17/74

Date of transcription _____

[redacted] advised of the identity of the interviewing agent, the nature of the investigation and placed under oath by Special Agent [redacted]
 [redacted] then provided the following sworn signed statement:

b6
b7C
b7D

Jan. 7, 1974

"I, [redacted] being duly sworn, make the following statements to [redacted]
 [redacted] who has identified herself to me as a Special Agent of the FBI and who has told me that this matter concerns alleged submission of false information to the government in connection with a contract my employer had with the government.

b6
b7C
b7D
b7E

[redacted]
 "I have [redacted] checks numbered [redacted]
 [redacted] made payable to me. These checks were displayed to me by Special Agent [redacted]
 I can attest to the fact that I did receive the above checks for my work [redacted]
 I can positively identify my endorsements on the back of each check. However, the apparent counter signature on [redacted] is not mine.

"I have read the above statements consisting of one page; they are true and correct. I have initialed that page and now sign it, because it is true.

Interviewed on 1/7/74 at Milwaukee, Wisconsin File # MI 46-1173

by SA [redacted] lav Date dictated 1/11/74

b6

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

b7C

MI 46-1173

2

Signed.

[Redacted]

Sworn to and subscribed before me, [Redacted]
[Redacted] Special Agent, FBI, Milwaukee, on
Jan. 7, 1974 at Milwaukee, Wisconsin."

b6
b7C
b7D

FEDERAL BUREAU OF INVESTIGATION

-1-

Date of transcription 2/4/74

[redacted] and was immediately thereafter advised of the identity of the interviewing Agents and of the nature of the interview. As this matter pertained to a possible fraud against the government matter, [redacted] was placed under oath by Special Agent [redacted] and thereafter furnished the following statement:

b6
b7C
b7D

"Milwaukee, Wisconsin
1/24/74

"I, [redacted] being duly sworn, make the following statement to [redacted] who have identified themselves to me as Special Agents of the Federal Bureau of Investigation and who have told me this matter concerns the possible Fraud Against the Government in connection with the Summer Youth Program at the American Indian Movement, 431 No. 27th St., Milwaukee, Wis. during the summer of 1972.

b6
b7C
b7D
b7E

[redacted] I have examined three checks as shown me by Special Agent [redacted]

Interviewed on 1/24/74 at Milwaukee, Wisconsin File # MI 46-1173

SA's [redacted] and
by [redacted] (RLH:kjs)

Date dictated 1/29/74b6
b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

-2-
MI 46-1173

[Redacted]

b6
b7C
b7D
b7E

"I have examined check [redacted] and have acknowledged that I received [redacted] check and my signature appear on the back of [redacted] check and is correct. I have examined check [redacted] and advise that I have never received these [redacted] checks and that the signatures on them are not mine. I did not receive these checks nor did I authorize anyone to sign my name to any checks. I have read the above statement consisting of two and one half pages and advise that it is true and correct to the best of my knowledge."

"/s/ [redacted]
1-24-74"

Sworn to and subscribed before me, [redacted] on January 24, 1974, at Milwaukee, Wisconsin.
Witness [redacted] SA, FBI, Milwaukee, Wisconsin,
January 24, 1974.

b6
b7C

The following description and information was obtained through observation and interview regarding [redacted]:

Race
Sex
Date of Birth
Social Security
Account Number
Residence

[Redacted]

b6
b7C
b7D

MI 46-1173

REVIEW OF OFFICE OF ECONOMIC OPPORTUNITY
REPORTS & PROSECUTIVE OPINION BY MINNEAPOLIS DIVISION

MI 46-1173

b6
b7C

On January 23, 1974, the facts of the OEO reports were reviewed by First Assistant United States Attorney [redacted]
[redacted] Minneapolis, Minnesota with SAA [redacted]
[redacted]

[redacted]
b5
b6
b7C
b7E

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE MILWAUKEE	OFFICE OF ORIGIN MILWAUKEE	DATE 5/15/74	INVESTIGATIVE PERIOD 1/3/74 - 5/10/74	b6 b7C
TITLE OF CASE HERBERT GEORGE POWLESS		REPORT MADE BY SA [redacted]	TYPED BY brm	
		CHARACTER OF CASE FAG 0-1244-8 MJ FBI-MILWAUKEE 8/21/74		

REFERENCES

Milwaukee report of SA [redacted] dated 1/31/74.
Minneapolis report of SA [redacted] dated 2/1/74.

- P -

b6
b7CADMINISTRATIVE

It is noted that investigative period overlaps that of referenced Milwaukee report. Information was not received in time to be included in referenced Milwaukee report.

LEADS

ACCOMPLISHMENTS CLAIMED					<input checked="" type="checkbox"/> NONE	ACQUIT-TALS	CASE HAS BEEN:
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES	None		PENDING OVER ONE YEAR <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
							PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

APPROVED <i>[Signature]</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE: ⑤ - Bureau {4 - 46- (1 - 157-28734)}		46-65131-17	REC-49
3 - Milwaukee {2 - 46-1173) (1 - 157-2034)(Info)		16 MAY 20 1974	
(Copy Count Continued Cover Page B*)		SEARCHED SERIALIZED INDEXED FILED DATA PROC	

Dissemination Record of Attached Report			Notations DATA PROC
Agency	2-040m		
Request Recd.	1-050		
Date Fwd.			
How Fwd.	ES MAY 30 1974	JRB	D
By	JJB	5/30/74	

MI 46-1173

Copy Count (Continued)

1 - USA, Milwaukee
1 - Denver (Info)
2 - Minneapolis
 (1 - 46-3357) (Info)
 (1 - 157-1458) (Info)
2 - Phoenix (Info)
 (1 - USA, Phoenix)
2 - WFO {1 - 46- } (Info)
 {1 - 157-5476} (Info)

Information copies being furnished Denver,
Minneapolis, Phoenix, and WFO because of their interest
in subject.

MILWAUKEE DIVISION

At Milwaukee, Wisconsin

Continue efforts to locate remaining individuals
who reportedly worked for subject.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - United States Attorney, Milwaukee
 1 - United States Attorney, Phoenix

Report of: SA [redacted] Office: MILWAUKEE
 Date: May 15, 1974

Field Office File #: MI 46-1173 Bureau File #:

Title: HERBERT GEORGE POWLESS

Character: FRAUD AGAINST THE GOVERNMENT

Synopsis: [redacted] interviewed and furnished signed statement to advise that [redacted] checks reported issued to her were never received by her and endorsement is forged. [redacted] furnished signed statement advising that all checks reported issued to him were never received and endorsement is not his. [redacted] furnished signed statement admitting receipt of funds from check [redacted]. [redacted] also advised that she thought POWLESS had permission of several people to use their names on checks, when in fact, proceeds were going for other purposes.

b6
b7C

b6
b7C
b7D
b7E

- P -

Details:

FEDERAL BUREAU OF INVESTIGATION

1/22/74

Date of transcription

-1-

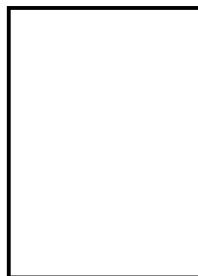
[redacted] was advised of the identity of the interviewing Agent and the purpose of the interview. She thereafter provided the following information:

[redacted] advised that [redacted]

[redacted] further advised that the name HERBERT GEORGE POWLESS was totally unfamiliar to her. [redacted] stated that she had never lived in [redacted]

[redacted] The following description of [redacted] was obtained through observation:

Race
Sex
Hair
Eyes
Height
Weight
Complexion



b6
b7C
b7D

Interviewed on 1/15/74 at [redacted] File # MI 46-1173

by SA [redacted] brm Date dictated 1/18/74

b6
b7C

-1-

GAP:kjs
MI 46-1173

The following investigation was conducted by
Special Agent [redacted] at Milwaukee, Wisconsin,
on January 28, 1974:

b6
b7C

A record check at the Bureau of Motor Vehicles,
Madison, Wisconsin, disclosed that [redacted]
[redacted]

Race
Sex
Hair
Eyes
Height
Weight



b6
b7C

His Social Security Account Number was shown
as [redacted]
[redacted]

MI 46-1173

RLH/brm

-1-

The following investigation was conducted by
Special Agent [redacted] on January 29, 1974:

b6
b7C

At Milwaukee, Wisconsin

Files of the Bureau of Indian Affairs (BIA) Office were checked against all individuals' names who had been employed by the Youth Summer Program of the American Indian Movement, Milwaukee, Wisconsin, in order to determine if a current address could be located. The following information was noted:

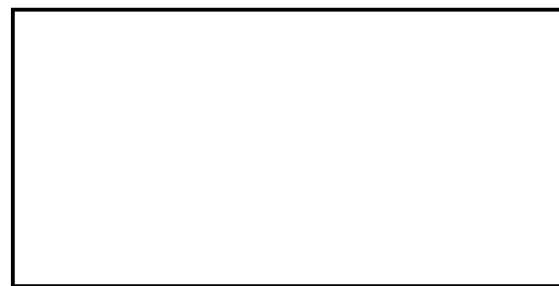
Name
Date of Birth
Place of Birth
Social Security
Account Number
Residence



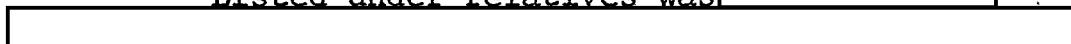
b6
b7C

(January, 1973 information)

Name
Date of Birth
Place of Birth
Social Security
Account Number
Residence



Listed under relatives was [redacted]



MI 46-1173

HHM/kat

1

b6
b7C

The following investigation was conducted by Special Agent (SA) [redacted] in order to determine the whereabouts of [redacted]

AT MILWAUKEE, WISCONSIN

The Community Relations-Social Development Commission Youth Employment application listed the person to contact in case of an emergency as being [redacted] phone number [redacted]

On February 4, 1974, an attempt was made to locate [redacted] Results were negative.

b6
b7C

On February 5, 1974, telephone number [redacted] was called and [redacted] advised [redacted]

b6
b7C

On February 20, 1974, [redacted] she advised that the [redacted]

[redacted] was contacted on February 21, 1974. She advised that [redacted]

b6
b7C

[redacted] advised that [redacted]

FEDERAL BUREAU OF INVESTIGATION

-1-

Date of transcription 3/13/74

[redacted] was advised of the identities of the interviewing Agents and of the nature of the inquiry. He voluntarily furnished the following signed statement:

b6
b7C

"Milwaukee, Wis.
March 7, 1974

"I, [redacted] being duly sworn,
hereby make the following free and voluntary
statement to Special Agents [redacted]

[redacted] FBI, who have identified
themselves to me and have advised me of the
nature of the inquiry. No threats or promises
have been made to me in connection with the
taking of this statement.

"I have been shown [redacted] original checks
drawn on the American City Bank and Trust
Company, Milwaukee, Wis. and payable to me.

b6
b7C
b7D
b7E

[redacted] The checks are drawn on account
no. [redacted] and show
the payor as the [redacted]

[redacted] All the
checks except check [redacted] contain the
[redacted] in
[redacted] Check no. [redacted]

"The [redacted] checks are further described
as follows:

Interviewed on 3/7/74 at Milwaukee, Wisconsin File # MI 46-1173

by SA [redacted] and
SA [redacted] (WJD/brm) Date dictated 3/11/74

b6
b7C

MI 46-1173

-2-

"Check Number	Date	Amount
---------------	------	--------

--	--	--

"Check no.

The remaining [redacted] checks are all endorsed with the name [redacted]. I have examined all [redacted] checks and state that the endorsement is not mine. I did not receive or cash any of the checks nor did I receive any of the proceeds from whomever did cash them. I have no knowledge of whomever did cash these checks.

"I have also examined a Form W-4E and a job application form for the [redacted]

[redacted] and state that the signatures on them are not mine. I have never applied for a position with the [redacted]

b6
b7C
b7D
b7E

[redacted]

"I hereby state that the above statement consisting of this and two other pages is true and correct to the best of my knowledge.

MI 46-1173

-3-

"(Signature) "/s/

"(Date)

3-7-74

"Sworn to and subscribed before me this
7th day of March, 1974 at Milwaukee, Wis.

"(Witness) SA, FBI, Milwaukee,

Wis. 3/7/74

"(Witness) SA, FBI, Milwaukee,

Wis. 3/7/74."

b6
b7C
b7D

MI 46-1173

On January 3, 1974, neighborhood investigation was conducted to locate [REDACTED] with negative results. Inquiry determined that [REDACTED]
[REDACTED]

b6
b7C

On January 14, 1974, [REDACTED] advised that according to his records.
[REDACTED]

On January 15, 1974, a check of the postal records for a change of address for [REDACTED] was negative.

On February 27, 1974, [REDACTED] advised
[REDACTED]

b6
b7C

On March 19, 1974, and April 4, 1974, efforts were again made to contact [REDACTED]
[REDACTED] negative results.

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/16/74

[redacted]
 was advised of the identities of the interviewing Agents and of the nature of the inquiry. She was placed under oath and voluntarily furnished the following signed, sworn statement:

b6
b7C
b7D

"Milwaukee, Wis.
April 11, 1974

"I, [redacted] being duly sworn, hereby make the following free and voluntary statement to [redacted] and [redacted] who have identified themselves to me as Special Agents, FBI. No threats, promises, or coercion has been used against me in the taking of this statement.

b6
b7C
b7D
b7E

"On at least one and possibly two other times, I was given checks which I was told to cash and then to return the money. Although I cannot be certain, to the best of my knowledge I was given the checks by [redacted]. I cashed all the checks at my bank, [redacted]
 [redacted] and then gave

Interviewed on 4/11/74 at Milwaukee, Wisconsin File # MI 46-1173

SA [redacted] and
 by SA [redacted] DOSS/nma Date dictated 4/12/74 b6
b7C

-12-

the proceeds of the checks back to [redacted] I was then given part of the proceeds as reimbursement for my [redacted]

"I have examined check number [redacted]

[redacted]
b6
b7C
b7D
b7E

"I hereby state that I endorsed and cashed this check and received to the best of my knowledge, approximately [redacted] the proceeds [redacted]. I do not know who signed [redacted] name to the check. At the time I cashed [redacted] check and the others I knew that [redacted] [redacted] other people's names were being used when these people were not actually employed for the purpose of obtaining additional funds. I understood that their names were being used by Herb [redacted] Powless with their knowledge and consent for the purpose of obtaining this additional money.

[redacted]
b6
b7C
b7D
b7E

"To my knowledge, Herb [redacted] Powless used this money to pay myself and others for either services rendered or expenses incurred as neither I nor these other persons were eligible to receive the funds under the Neighborhood Youth Corps program. To my knowledge, neither Herb [redacted] Powless used this money for any other purpose or for themselves.

MI 46-1173

3

"I hereby state that this statement consisting of this and three other pages is true and correct to the best of my knowledge.

"Sworn to and subscribed before me,
[redacted] on April 11, 1974 at
Milwaukee, Wisconsin"

b6
b7C
b7D

"/s/ [redacted]
April 11, 1974

"Witness /s/ [redacted] FBI Special Agent, 4/11/74.
Witness /s/ [redacted] Special Agent,
FBI, Milwaukee, Wis., 4/11/74"

In addition to the above statement, [redacted]
[redacted] orally advised that she had heard of [redacted]
and believed that he [redacted]

[redacted] but that he was not employed by American Indian Movement or by the Youth and Young Adult Social Services Program under the direction of HERB [redacted] POWLESS, at the time she cashed the check described in the above signed statement.

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In further examining the above described check, she stated that [redacted]

She stated that HERB POWLESS had indicated to her that in order to obtain additional Federal funds, he was utilizing the names of individuals [redacted]
[redacted]
with the latter's knowledge and consent. She stated

b6
b7C
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MI 46-1173

4.

that for this reason she did not feel that there was any fraud involved and that she herself cashed the [redacted] [redacted] check as well as [redacted] others thinking that they were valid checks.

b6
b7C
b7D
b7E

She stated that in all cases the checks which were given to her by [redacted] were already endorsed, [redacted] and that she did not see who actually endorsed the checks.

Regarding the [redacted] checks, [redacted] [redacted] could not recall to whom they were made payable or any other details other than the fact she did recall cashing them and giving the proceeds to [redacted]

b6
b7C
b7D
b7E

[redacted] examined [redacted]

MI 46-1173

The following investigation was conducted
by SA [redacted]

At Milwaukee, Wisconsin

On April 22, 1974, April 26, 1974, May 3, 1974,
May 7, 1974, and May 10, 1974, attempts were made to contact
[redacted] On all occasions,
no one was at home.

b6
b7C

14

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE MILWAUKEE	OFFICE OF ORIGIN MILWAUKEE	DATE 10/31/74	INVESTIGATIVE PERIOD 8/1/74 - 10/31/74
TITLE OF CASE HERBERT GEORGE POWLESS		REPORT MADE BY SA [redacted]	TYPED BY 1rh
		CHARACTER OF CASE FAG	b6 b7C

REFERENCE

Milwaukee report of SA [redacted] dated 5/15/74.

- P -

2-28-75
M1 0-1244
GEF
RJADMINISTRATIVEb6
b7C

It is noted that limited investigation has been conducted in this matter; however, it should be noted that Case Agent has had to spend an unusual amount of time on more expeditious accounting investigations such as [redacted]

b6
b7C
b7E
UNRECORDED COPY FILED IN

ACCOMPLISHMENTS CLAIMED					<input checked="" type="checkbox"/> NONE	ACQUIT-TALS	CASE HAS BEEN:
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES		None	PENDING OVER ONE YEAR <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

APPROVED	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE:		46-165981-8	REC-72
5 - Bureau (4-46-65981) (1-157-28734)		NOV 11 1974	
1 - USA, Milwaukee			
3 - Milwaukee (2-46-1173) (1-157-2034)			

Dissemination Record of Attached Report					Notations
Agency	2-0pm				SAF DATA PROC
Request Recd.	1-0EO				
Date Fwd.					
How Fwd.	56 NOV 21 1974				
By					

MI 46-1173

LEADS

MILWAUKEE DIVISION

At Milwaukee, Wisconsin

Will continue efforts to locate and interview
those individuals who reportedly worked for subject.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Milwaukee

Report of: SA [redacted]
Date: October 31, 1974

Office: MILWAUKEE

Field Office File #: MI 46-1173

Bureau File #: 46-65981

Title: HERBERT GEORGE POWLESS

Character: FRAUD AGAINST THE GOVERNMENT

Synopsis: Most current addresses of those individuals who reportedly worked for POWLESS determined and set forth. [redacted] Inspector, Office of Economic Opportunity, contacted regarding investigation; and he furnished additional background on individuals who worked for POWLESS.

b6
b7C

- P -

DETAILS:

During August 1-15, 1974, the file in this matter was reviewed in an attempt to determine the current residences of those individuals who reportedly worked for HERBERT GEORGE POWLESS as employees of the Youth and Young Adult Summer Employment Program. Those residences are set forth:

MI 46-1173

On September 3, 1974, the following individuals were interviewed by Milwaukee Agents regarding other matters and their new addresses were obtained:



b6
b7C
b7D

On October 31, 1974, [redacted] Office of Economic Opportunity, contacted the Milwaukee Office of the FBI telephonically and provided the following information:

[redacted] advised that during his investigation, at which time [redacted]

b6
b7C

[redacted] were interviewed, he had [redacted] who apparently was disenchanted with POWLESS and offered any assistance he could provide. [redacted] stated that [redacted] would probably be able to provide current addresses for many of the individuals listed above.

[redacted] further advised that the current publication of "DRUMS" and "AG-UA-CHAIN," two Menominee Indian newspapers, listed students' addresses. Among those listed were [redacted]
[redacted]

b6
b7C

[redacted] further stated that [redacted] was on [redacted]

18

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE MILWAUKEE	OFFICE OF ORIGIN MILWAUKEE	DATE 4/8/75	INVESTIGATIVE PERIOD 11/14/74 - 3/20/75
TITLE OF CASE HERBERT GEORGE POWLESS		REPORT MADE BY SA [REDACTED]	TYPED BY bc b6 b7C
		CHARACTER OF CASE FAG O-1 MI 2/24/75 20/75	

REFERENCES

Milwaukee report of SA [REDACTED] dated 10/31/74
and Minneapolis letter to Milwaukee, dated 2/24/75

-P-

ADMINISTRATIVE

Investigative period is extensive due to unavoidable
delay in conducting investigation [REDACTED]

ACCOMPLISHMENTS CLAIMED					<input checked="" type="checkbox"/> NONE	ACQUIT-TALS	CASE HAS BEEN:
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES	NONE	PENDING OVER ONE YEAR	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
						PENDING PROSECUTION OVER SIX MONTHS	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

APPROVED

SPECIAL AGENT
IN CHARGE

DO NOT WRITE IN SPACES BELOW

COPIES MADE:

46-65981-9	RAC-101
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1 APR 14 1975	-----
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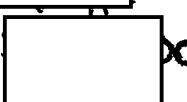
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- 5- Bureau (4-46-65981)
(1-157-28734)
1- USA, Milwaukee
1- Minneapolis (46-3357)
3- Milwaukee (2-46-1173)
(1-157-2034)

Dissemination Record of Attached Report

Agency	2-46-65981		
Request Recd.	1-OEO		
Date Fwd.			
How Fwd.			
By			

Notations

b6
b7C

MI 46-1173

Copy of this report being submitted to Minneapolis Division in view of their investigative interest, no leads are set out for Minneapolis at this time concerning further interviews with individuals employed at the Upper Midwest American Indian Center (UMAIC). Milwaukee will advise Minneapolis of the results of further investigation and whether or not Assistant United States Attorney requests further investigation by Minneapolis.

LEADS

MILWAUKEE DIVISION

AT MILWAUKEE, WISCONSIN

Will attempt to locate [redacted]

[redacted]

b6
b7c

Will continue efforts to locate an individual by the name of [redacted] who was employed at the AIM office.

Will recontact AUSA concerning prosecutive potential of this case.

AT NEOPIT, WISCONSIN

Will continue efforts to locate and interview [redacted]

[redacted]

b6
b7c

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1- USA, Milwaukee

Report of: SA [redacted]
Date: April 8, 1975

Office: Milwaukee

b6
b7C

Field Office File #: MI 46-1173

Bureau File #: 46-65981

Title: HERBERT GEORGE POWLESS

Character: FRAUD AGAINST THE GOVERNMENT

Synopsis: Attempts to locate witnesses in Milwaukee area in November, 1974, negative. [redacted] potential witnesses located in Menominee County, Wisconsin and interviewed concerning employment with AIM in Milwaukee in [redacted] individuals advised checks issued in their name and endorsed represent forgeries, that they were not employed at AIM in [redacted] individuals advised checks issued to them represent legitimate documents with appropriate signatures thereon. [redacted] Upper Midwest American Indian Center, Minneapolis, made available original checks made payable to Milwaukee Indian Movement Survival School, [redacted] checks totaled [redacted] advised checks were apparently deposited into the AIM account at American City Bank and Trust Company, Milwaukee, whereas checks were intended to be used for the Milwaukee American Indian Movement Survival School. HERBERT POWLESS, Director, American Indian Council on Alcoholism (AICA) arrested 3/1/75 in South Dakota in possession of illegal firearms.

b6
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b7E

-P-

DETAILS:

MI 46-1173

On November 14, 1974. [redacted]

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[redacted] She advised [redacted]
[redacted]

On January 14, 1975, the following investigation
was conducted by Special Agent [redacted]

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It was determined through the Menasha Post Office,
Menasha, Wisconsin, that [redacted]
[redacted]

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/25/751

[redacted] was advised of the identity of the interviewing Agent and was placed under oath.

b6
b7C

He furnished the following signed statement:

"I, [redacted] being duly sworn hereby make the following free and voluntary statement to Special Agent [redacted]
[redacted] of the Federal Bureau of Investigation.

b6
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b7D
b7E

[redacted] I did not work for them nor receive any payment of any type. I have reviewed [redacted] checks numbered [redacted] made out to me by the [redacted]

[redacted] The signature on the back of each of the above checks is not mine.

"/s/ [redacted]

"Sworn and subscribed before me on March 19, 1975 in [redacted] Wisconsin.

"/s/ Special Agent [redacted]
"Federal Bureau of Investigation"

Interviewed on 3/19/75 at [redacted] File # MI 46-1173

by SA [redacted] Date dictated 3/21/75 b6
b7C

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/25/751

[redacted] was advised of the identity of the interviewing Agent and placed under oath. The interview was conducted at the offices of the [redacted] [redacted] and she furnished the following statement:

b6
b7C

"I, [redacted] being duly sworn hereby make the following free and voluntary statement to [redacted] who had identified himself as being a Special Agent with the Federal Bureau of Investigation.

b6
b7C
b7D
b7EInterviewed on 3/19/75 at [redacted] File # MT 46-1173by SA [redacted] Date dictated 3/21/75 b6
b7C

-5-

MI 46-1173

2

[redacted] I never went to work there
at anytime.

"I have reviewed [redacted] checks numbers
made out to me
by the [redacted]

[redacted] I never received these checks
at any time. The signature on the back of each
check is not my signature. I sign my name as
follows: [redacted]

"/s/ [redacted]

"Sworn to and subscribed before me on
March 19, 1975 at [redacted] Wisconsin.

"/s/ Special Agent [redacted]
"Federal Bureau of Investigation"

In addition, she recalled receiving a telephone
call sometime after having filled out the application.
The calling party [redacted] asked if
another girl could use [redacted]. She
told the caller no in that she did not want to get into
trouble.

b6
b7C
b7D

The following description was obtained through
interview and observation:

Name:
Maiden Name:

[redacted]

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/27/751

[redacted] was interviewed under oath and furnished the following information:

b6
b7C
b7D

[redacted] She advised [redacted]

[redacted] She stated that this agency was run by one HERBERT POWLESS.

She stated that she has known HERBERT POWLESS [redacted] She stated while HERBERT POWLESS was in charge of the alcoholic program, he was a conscientious and responsible individual and would have never done anything illegal.

b6
b7C
b7D

She reviewed [redacted] checks made out to [redacted]

<u>Check Number</u>	<u>Date</u>	<u>Amount</u>
[redacted]		

b6
b7C
b7D
b7E

She stated that the signature of her name appearing on the back of check number [redacted] was not hers. She stated that the initials [redacted] appearing on the other [redacted] checks also were not hers.

Interviewed on 3/20/75 at Keshena, Wisconsin File #. MI 46-1173by SA [redacted] -8- Date dictated 3/24/75b6
b7C

MI 46-1173

2

She stated that [redacted]
[redacted]

She stated that the [redacted]
allegedly made out by [redacted]
[redacted]

was not [redacted] handwriting. She further
stated that the signature of HERB POWLESS set forth on
the application as Project Director was not that of
HERB POWLESS.

She could not furnish any information as to
employees working for the program during [redacted]. She
recalled that many individuals were jealous of POWLESS'
program and may have attempted to put him in a bad
light by writing the checks on the accounts. She could
not give any suspect information.

b6
b7C
b7D
b7E

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/27/751

[redacted] was interviewed and furnished the following information after being placed under oath.

b6
b7C
b7D

She reviewed [redacted]

[redacted] She advised that she never filled out this application [redacted]

She reviewed [redacted] checks issued in her name and made out by [redacted]

[redacted] Those checks were as follows: b6
b7C
b7D
b7E

<u>Check Number</u>	<u>Date</u>	<u>Amount</u>
[redacted]	[redacted]	[redacted]

She stated that the signatures appearing on the backs of the above checks were not hers. She stated that the information appearing in the employment application was correct. She stated that she did not know how the information was acquired but that such information is probably available through the [redacted]

Interviewed on 3/20/75 at [redacted] File # MI 46-1173

by SA [redacted] Date dictated 3/24/75 b6
b7C

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/27/751

[redacted] was interviewed and furnished the following information after being placed under oath.

b6
b7CHe reviewed [redacted]
[redacted]He stated that he submitted this application [redacted]
[redacted]He then reviewed payroll checks [redacted]
[redacted]

The check numbers, dates and amounts were noted as follows:

b6
b7C
b7D
b7E

<u>Check Number</u>	<u>Date</u>	<u>Amount</u>
[redacted]		

Interviewed on 3/20/75 at [redacted] File # MI 46-1173by SA [redacted] -12- Date dictated 3/24/75b6
b7C

MI 46-1173

2

He stated that the signature appearing on the back of each of the above checks drawn on the [redacted] was his.

He advised that he had no information regarding HERB POWLESS and his possible involvement in a fraudulent activity whereby forging or issuing checks to people who did not, in fact, work on the federally funded Youth and Young Adult Summer Education Program in [redacted]

b6
b7C
b7D
b7E

He furnished the following description:

Name:
Date of Birth:
Place of Birth:
Degree Menominee
Indian:
Height:
Weight:
Hair:
Eyes:
Social Security
Account Number:
Father:
Mother:
Brothers:

Sisters:

Employment:
Employer:

Marital Status:
Wife:

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/25/75

1

[redacted] was advised of the identity of the interviewing Agent and placed under oath.

She reviewed an employment application made out in her name to the [redacted]

b6
b7C
b7D
b7E

She stated that the signature appearing on the back of each of the following [redacted] checks made out by the

[redacted] is hers. Those checks are described as follows:

Check Number	Date	Amount
-----------------	------	--------

b6
b7C
b7D
b7E

She also stated that another individual named

-14-

by _____ SA _____ Date dictated _____ 3/21/75 b6
b7C

b6
b7C
b7D

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/25/751

[redacted]
[redacted] was advised of the identity of the interviewing Agent and was placed under oath.

b6
b7C
b7D

He reviewed an employment application [redacted]
[redacted] He stated that this application was made out by him. He stated that he accepted employment with [redacted]
[redacted]

b6
b7C
b7D
b7E

He recalled [redacted]
[redacted]

b6
b7C
b7D

He recalled on one occasion [redacted] At that time HERBERT POWLESS, [redacted] discussing one of the checks made out to [redacted]

b6
b7C
b7D
b7EInterviewed on 3/19/75 at [redacted] File # MI 46-1173by SA [redacted] Date dictated 3/21/75

-16-

[redacted] indicated that it was a check for [redacted] but since she was no longer working for them, they were going to go ahead and cash it anyway and would use it to buy office supplies. He recalled that on the following day, the office supplies were available.

b6
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b7D

He stated that if the check was cashed, he did not know who cashed the check. He did not see anybody sign the check while it was in his presence.

In addition, [redacted]
named [redacted]

b6
b7C
b7D

[redacted] He stated that an arrangement was made whereby [redacted] assumed the identity of [redacted] [redacted] and began receiving checks through the POWLESS program. He believed that [redacted] signed the back of the checks using the name [redacted] He stated that [redacted]

He stated that [redacted]

b6
b7C
b7D

The following description was obtained from observation and interview:

Name:
Sex:
Race:
Nationality:
Date of Birth:
Place of Birth:
Height:
Weight:

[redacted]

FEDERAL BUREAU OF INVESTIGATION

(1)

Date of transcription February 20, 1975

[redacted] Upper Midwest American Indian Center (UMAIC), 1113 West Broadway, Minneapolis, Minnesota, made available as requested the following [redacted] canceled checks:

Check Number [redacted]

b6
b7C
b7D
b7E

Check Number [redacted]

b6
b7C
b7D
b7E

of the [redacted] checks were drawn on the account [redacted]

[redacted] requested that the above canceled checks be returned to her when no longer needed by the FBI.

Interviewed on 2/15/75 at Minneapolis, Minnesota File # MD 46-3357b6
b7C
b7Dby SA [redacted] Date dictated 2/20/75

-19-

FEDERAL BUREAU OF INVESTIGATION

Date of transcription February 21, 1975

[redacted] Upper Midwest American Indian Center (UMAIC), 1113 West Broadway, Minneapolis, Minnesota, [redacted] at which time she was advised of the official identity of the interviewing Agent by display of credentials and was advised that the interviewing Agent desired to review various records pertaining to disbursements made by the UMAIC to the Milwaukee, Wisconsin, American Indian Movement (AIM) Survival School in [redacted]

b6
b7C
b7E

After a review of her records [redacted] advised as follows:

She has been [redacted] UMAIC since [redacted]
[redacted]

An [redacted] which was reflected as being forwarded on September 20, 1972, reflected that the UMAIC was an applicant for a grant of [redacted]. This grant would consist of [redacted] in OEO Federal funds and no dollars of non-Federal funds. This grant was proposed for the use of developing Indian controlled schools in St. Paul and Minneapolis, Minnesota, and Milwaukee, Wisconsin. [redacted] was specifically allotted for St. Paul, [redacted] for Minneapolis and [redacted] for Milwaukee. This grant was a proposal to offer an alternate to the school system. Funds would be used to hire a qualified Indian staff and develop a specified curriculum emphasizing Indian culture, history, language and arts and crafts. Funds were also to be used to reduce the dropout rate of Indian children from school. The grant was also to be used to prepare students to be able to handle a job. The Milwaukee Center was to operate a Neighborhood Community Service Center in addition to the above proposals and this Neighborhood Community Service Center would provide services in the area of employment placement, housing referral, social services referral, vocational rehabilitation, and alcoholism rehabilitation.

b6
b7C
b7EInterviewed on 2/15/75 at Minneapolis, Minnesota File # MP 46-3357by SA [redacted]

-20-

Date dictated 2/20/75b6
b7C

(2)

An [redacted] reflected that the grantee UMAIC, 1113 West Broadway, Minneapolis, under Grantee Number [redacted] had received approval of a [redacted] Federal funding under the program account name of "General Community Programming." This grant was effective May 1, 1972, (subject to Governor's approval) and would be for the program year of May 1, 1972, through April 30, 1973. The obligation date on this form was reflected as June 30, 1972, and the form contained an apparent [redacted] approval signature with a date next to the signature and appeared to be June 21 or June 27, 1972. [redacted] was at that time [redacted]
[redacted]

b6
b7C
b7E

The UMAIC issued [redacted] checks on their account which was maintained at the First Plymouth National Bank at Minneapolis. The [redacted] in the amount of [redacted]. This check was payable to the order of the [redacted] check contained apparent signatures of [redacted] check [redacted] and dated [redacted]. This check was payable to the [redacted] This check contained [redacted] signatures.

b6
b7C
b7E

[redacted] noted that the [redacted] signatures on the above checks appeared quite different and she felt that the Check [redacted] apparently contained [redacted] legitimate signature whereas Check [redacted] obviously contained a [redacted] signature that did not appear identical to the legitimate signature of [redacted]

b6
b7C
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By letter dated August 18, 1972, and on the letterhead of UMAIC, Minneapolis, [redacted] advised addressee HERB POWLESS, Executive Director, Milwaukee AIM, 431 North 27th Street, Milwaukee, Wisconsin, as follows:

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"As the administering agency of your O.E.O. Survival School funds, we will need sufficient disbursement records of how the advanced amount of [redacted] has been spent.

MP 46-3357

(3)

"In order for us to advance any more monies to your agency, we will need this information.

"Your prompt attention to this matter will be appreciated and will also serve to be beneficial to you."

By letter dated August 22, 1972, and on the letterhead of the American Indian Movement, Milwaukee, Wisconsin, HERB POWLESS advised [redacted] UMAIC, Minneapolis, as follows:

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"Enclosed are records showing the disbursement of the advanced [redacted] from your agency to ours. For additional information, please feel free to contact our office."

A copy of the records which were enclosed in the above letter dated August 22, 1972, are as follows:

AMERICAN MFG. CO. - MILWAUKEE, WISC.
431 North Zith Street
Milwaukee, Wisconsin 53208

BEST COPY AVAILABLE

b6
b7C
b7E
740 N. Main St.
Milwaukee, Wisconsin

DATE CHECK NO.

DEBIT

CREDIT

TRANSH

MP 46-3357
(4)

-23-

AMERICAN INDIAN MOVEMENT Page 2

BEST COPY AVAILABLE

b6
b7C
b7E

MP 46-3357

(5)

MP 46-3357

(6)

By memorandum dated September 7, 1972, and on
the letterhead of UMAIC, Minneapolis, [redacted]
[redacted] advised [redacted] as follows
regarding the AIM Survival School Disbursements, Milwaukee,
Wisconsin:

"We acknowledge receipt of the list of disbursements from HERB POWLESS, AIM Milwaukee, Wisconsin.

"There are several questionable expenditures, and we list them as follows:

"Date	"Ck. No.	"Name	"Amt.
[redacted]	[redacted]	[redacted]	[redacted]
TOTAL [redacted]			

b6
b7C

b6
b7C
b7E

"My suggestion is that the questionable items be brought to the attention of [redacted] as soon as possible for his recommendation."

By letter dated September 28, 1972, and addressed to [redacted] UMAIC, Minneapolis, was advised by [redacted] Program Development, Model Urban Indian Center Project Manager, as follows:

b6
b7C

"This is to authorize you to advance funds out of your Model Urban Indian Center project to the American Indian Movement Experimental Schools Project. Amount, terms and conditions shall be negotiated between you and an

(7)

authorized representative of AIM. Please notify me in writing of any transactions you enter in to."

Prior to August 29, 1974, [redacted] contacted the American City Bank and Trust Company (ACB&TC), 740 North Plankinton Avenue, Milwaukee, Wisconsin, regarding the [redacted] checks as mentioned above which were issued to the Milwaukee AIM Survival School in [redacted]

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b7E

[redacted]
By letter dated August 29, 1974, [redacted]
[redacted] ACB&TC, advised [redacted] as follows:

The [redacted] check was deposited on [redacted]
and the [redacted] check was deposited on [redacted]. Both
of these checks were deposited into the account of the
American Indian Movement Account Number [redacted] and
which account was maintained at ACB&TC.

[redacted]
[redacted] was of the understanding that the [redacted]
[redacted] checks should have been deposited into the account
of the Milwaukee American Indian Movement Survival School
and not the AIM account as was done.

b6
b7C
b7E

[redacted]
[redacted] was also of the understanding the [redacted]
[redacted] checks were picked up by HERB POWLESS or other
individuals while these individuals were in Minneapolis or
passing through Minneapolis.

[redacted]
[redacted] is believed to be currently employed in
the [redacted]
[redacted]

[redacted]
[redacted] is believed to be attending school at
the present time and was known to formerly reside at
[redacted]

b6
b7C

[redacted]
[redacted] apparently still resides at [redacted]
[redacted] and either
maintains or previously maintained telephone number [redacted]
[redacted]

MI 46-1173

A review of the "Milwaukee Sentinel" newspaper, dated March 5, 1975, revealed an article which indicated that on March 1, 1975, HERBERT POWLESS and six other individuals were arrested for possession of illegal firearms and explosive substances by the South Dakota Highway Patrol in the area of Pine Ridge, South Dakota. These individuals were traveling in a van, which was later determined to be a 1975 Dodge Sportsman Maxi van, owned by the American Indian Council on Alcoholism (AICA) at Milwaukee.

FEDERAL BUREAU OF INVESTIGATION

-1-

Date of transcription

3/13/75

Services Unit, [redacted] Alcoholism Social Development Commission, Milwaukee, Wisconsin, was interviewed at his office regarding the recent activities of HERBERT POWLESS.

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b7E

[redacted] advised that ANTHONY MAGGIORE, Director of the Social Development Commission (SDC), Milwaukee, approved the purchase of a 1975 Dodge Sportsman Max Van, vehicle identification number [redacted] to be used by the American Council on Alcoholism (AICA) in the performance of their duties.

[redacted] further advised that because of the fact that HERBERT POWLESS, the Director of the AICA, [redacted]

[redacted] it will not be possible for the AICA to continue to discharge its duties in treatment of Indian alcoholics effectively.

b6
b7C

[redacted] stated that if POWLESS remains in jail, that the possibility exists that the SDC funding for the Milwaukee Office of the AICA will have to be stopped until such time that new management can be obtained.

[redacted] explained to stop the funding of AICA, the local board of commissioners governing the SDC would have to initiate an investigation into the operation of the AICA.

[redacted] stated for such an investigation to be initiated, there would have to be some evidence that the Milwaukee Office of the AICA is not properly discharging its duties.

b6
b7C

[redacted] stated that prior to the recent arrest of POWLESS, the Milwaukee unit of the AICA had functioned well and was meeting set objectives of his office; however, with POWLESS in jail, he doubted if the unit could continue to function effectively.

[redacted] stated that the use of the 1975 Dodge Maxi Van purchased by the SDC for use by the Milwaukee unit

Interviewed on 3/6/75 at Milwaukee, Wisconsin File # M 46-1173-

by _____

SA
SA [redacted]

-28-

Date dictated

3/13/75

b6
b7C

-2-

of the AICA was to be used only in connection with the duties of the AICA, and that in his opinion, use of the van for purposes of transporting explosives and firearms into South Dakota was far removed from the intended use of the van.

F B I

Date: 11/3/75

b6
b7C

Transmit the following in _____

AIRTEL

(Type in plaintext or code)

AIR MAIL

Via _____

(Priority)

TO DIRECTOR, FBI (46-65981)
 FROM SAC, MILWAUKEE (46-1173)(P)
 SUBJECT HERBERT GEORGE POWLESS
 FAG
 OO: MILWAUKEE

b6
b7C

For information of the Bureau, an individual by the name of [redacted]

[redacted] contacted the Milwaukee FBI Office on 7/22/75, purporting to have information concerning misappropriation of Federal funds by Subject.

On 7/29/75, [redacted] was interviewed by SA [redacted] of the Milwaukee Office concerning the above allegations. During the course of the interview, it became apparent that [redacted] and [redacted]

[redacted] was unable to provide any specific information to support her allegations and admitted she had only heard rumors about misuse of funds, and that she had heard the Federal Government was investigating POWLESS. [redacted] alleged that she had heard the sum of [redacted] was involved.

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b7C
b7E

At the time of the interview, it was explained to [redacted] that the Federal Government was conducting investigation and she was asked if she had any information concerning the [redacted] Program handled by Subject. She advised she had no specific information on that matter, but then began to talk in terms that this was probably what the rumor was all about. [redacted] was unable to provide a source for the rumor.

② - Bureau
2 - Milwaukee

[redacted]
(4)

NOV 6 1975

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b7C

195 [redacted] [redacted]

Sent _____ M Per _____

Special Agent in Charge

* U

MENT PRINTING OFFICE : 1969 O - 346-090 (11)

MI 46-1173

Since the initial contact with [redacted] she has become a frequent caller at the Milwaukee Office and will continue to ramble on concerning Indian matters. Within the past two weeks, she has begun to contact other sources and authorities. [redacted]

Social Development Association, which channels Federal funds to various programs, advised that [redacted] has written a letter to one of the Senators from Wisconsin, setting out allegations of the misuse of Federal funds and had ended her letter by stating that the above agent of the Milwaukee Office had full knowledge of the misuse of funds. [redacted] has also called Secret Service, Milwaukee, and the Milwaukee PD and made allegations regarding local violations and indicated that SA [redacted] had an indepth understanding of all of these matters.

b6
b7c

For information of the Bureau concerning HERBERT POWLESS case, this case was presented to the USA's Office several months ago for prosecutive opinion. On 10/31/75, the USA's Office advised that they were declining prosecution on all aspects of the case.

Report is being prepared.

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE MILWAUKEE	OFFICE OF ORIGIN MILWAUKEE	DATE 11/7/75	INVESTIGATIVE PERIOD 5/14/75 - 10/31/75
TITLE OF CASE 0 HERBERT GEORGE POWLESS		REPORT MADE BY SA	TYPED BY b6 b7C
		CHARACTER OF CASE FAG	
REFERENCE: Milwaukee report of SA [redacted]		4/8/75.	

(C)

ADMINISTRATIVE

Investigative period is extensive due to the delay on the part of the USA's Office at Milwaukee, Wisconsin, in returning a final prosecutive opinion in this matter. From June, 1975 - October, 1975 frequent contacts were made with the USA's Office for an opinion; however, every time the request was made AUSA indicated he was continuing to review the matter. The numerous contacts are not listed in the details of this report.

Information copy is provided to Minneapolis in view of the past investigative interest.

ACCOMPLISHMENTS CLAIMED				<input checked="" type="checkbox"/> NONE	ACQUIT-TALS	CASE HAS BEEN:
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES	NONE	PENDING OVER ONE YEAR <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
						PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

APPROVED	SPECIAL AGENT CHARGE	DO NOT WRITE IN SPACES BELOW	
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COPIES MADE:	5 - Bureau (4-46-65981) (1-157-28734) 1 - USA, Milwaukee, Wisconsin (Attn: AUSA [redacted]) 1 - Minneapolis (Information) 2 - Milwaukee (1 - 46-1173) (1 - 157-2034)	46-65981-11 REC-42 EX-112 NOV 14 1975
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Dissemination Record of Attached Report			Notations	b6 b7C
Agency	2020m		[redacted]	
Request Recd.	10EO		[redacted]	
Date Fwd.			[redacted]	
How Fwd.			[redacted]	
By			[redacted]	

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UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Milwaukee, Wisconsin
 (ATTENTION: AUSA [redacted]) b6
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Report of: SA [redacted] Milwaukee, Wisconsin
 Date: November 7, 1975 Office:

Field Office File #: 46-1174 Bureau File #: 46-65981

Title: HERBERT GEORGE POWLESS

Character: FRAUD AGAINST THE GOVERNMENT

Synopsis: [redacted] b6
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[redacted] refused to be interviewed. [redacted] advised payroll checks payable in her name contain false endorsements. AUSA, EDW, after reviewing case advised he was declining prosecution in all aspects of the case including misapplication of Federal funds and false statements. AUSA advised the Government based upon the evidence developed would be unable to prove willful intent on the part of the subject as required by the statute in both aspects of the case, and that the amount of monies involved on the false endorsements was not that substantial to warrant Federal prosecution.

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DETAILS:

On May 14, 1975, [redacted]

[redacted] was contacted [redacted]
 [redacted] for an interview inasmuch as she was [redacted]

[redacted] She stated that [redacted]

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MI 46-1174

[redacted] On May 27, 1975, telephonic contact was made with [redacted]
to set up an interview. [redacted]

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Several other attempts were made to set up an appointment with [redacted] in June, 1975, and on each occasion [redacted]

On June 24, 1975, [redacted] advised that she would only consent to an interview in the presence of [redacted]

[redacted] She [redacted]

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 6/11/75

[redacted] was duly sworn and then provided the following information:

She is presently employed at [redacted]. She informed that in [redacted] submitted an application to the American Indian Movement (AIM) Office which was under the control at that time of HERBERT POWLESS [redacted]. She stated the purpose of this application was that if the AIM Office had a job, they would refer the applicant to the prospective employer.

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She informed that [redacted]

[redacted]

[redacted] advised that [redacted]

[redacted]

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She advised that she had known HERBERT [redacted]

[redacted]

[redacted] advised that she would provide a written statement, which is as follows:

Interviewed on 6/4/75 at Milwaukee, Wisconsin File # MI 46-1173

SA [redacted]

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Date dictated

6/9/75

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"6/4/75

Milwaukee, Wisc

"I

[redacted]
being duly sworn do hereby provide
the following information freely and voluntarily.

"In

[redacted] I had filled out a job application at the American Indian Movement Office which was located at that time at 431 North 27th Street. The purpose of the application was that if a job became available the AIM office would refer me to the job. I also recall having made out an application for a job referral at the AIM office which was located at 33rd and Lisbon however I don't recall exactly the dates I filled out these applications. I was referred to one job by the AIM office but it only lasted [redacted]. [redacted] I talked to [redacted] when I filled out these applications and left them with her.

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"I have never filled out an application for a job through the Community Relations - Social Development Commission. I have viewed a copy of a youth application with the signature of [redacted] which indicates I was seeking such a [redacted]. The application was not filled out by me although my birthdate and social security number are correct. Other information is incorrect such as my address at the time and an incorrect spelling of my first name. The signature on the application is not mine.

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"I have viewed [redacted] original checks which are made payable to a [redacted]. These [redacted] checks bear the numbers [redacted] and [redacted] of these items bear endorsements on the backside of [redacted]. I have never seen

these [redacted] checks previously and the signature on the backside is not mine. I have also viewed copies of [redacted] other checks with the name of [redacted] thereon namely numbers [redacted]
[redacted] I did not review any of these [redacted] checks and the endorsement on the backside of these items is not mine.

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"I had first heard that my name was on some checks back in the [redacted]
[redacted]

"I do not specifically recall the circumstances but I do remember talking to [redacted] about the use of my name. [redacted]

[redacted] I do recall [redacted] telling me to say that if any body asked about the checks to tell them I had done some [redacted] and had contributed my check to the office.

"I have read this page and two others and that this is true and correct to the best of my knowledge.

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"/s/ [redacted]

"Sworn and Subscribed
before me on 6/4/75
[redacted]

SA FBI Milw, Wisc"

On September 9, 1975, Assistant United States Attorney [redacted] advised that he was continuing to review this matter to determine whether or not it warranted Federal prosecution. He stated he would recontact the case Agent at a later date concerning his final prosecutive opinion.

On October 31, 1975, AUSA [redacted] advised that he was declining prosecution in this case on all possible violations. He advised his review of the case determined there were two separate matters each containing potential criminal violations where subject was probably involved. He advised that the first situation involved the [redacted] received by POWLESS from the Upper Midwest American Indian Center in Minneapolis, Minnesota, which was to be used for the purpose of developing a Community School Program and counseling service in Milwaukee. He noted these funds were from the Office of Economic Opportunity (OEO). He explained this aspect of the case would conceivably be a violation of Title 42, Section 2703, United States Code, and make it a criminal violation for willful misapplication of Federal funds. He stated in applying the evidence developed from investigation to the statute it was necessary to review the guidelines OEO provided in the use and distribution of the funds. He stated that the problem is that there are no specific written guidelines and that only a couple of letters were sent by OEO to the funding agency and that the language as to the use of the monies is very broad and general. He advised that in view of the fact such general language and guidelines were provided it would be impossible to prove that there was willful and intentional misapplication of the funds on the part of POWLESS.

AUSA [redacted] stated in connection with the statement submitted by POWLESS on August 23, 1972, to the Upper Midwest American Indian Center the same problem developed in that the Government would have to prove that the statement contained a willful and intentional false statement on the part of POWLESS. He stated in reviewing the statement concerning how the monies were spent by POWLESS that most of the items could be construed to have been utilized for purposes of counseling.

MI 46-1173

AUSA [redacted] stated that in connection with the other aspect of the case involving the Summer Youth Program handled by the AIM office in 1972 that the total amount of money involved was not that substantial where an actual forgery exists. He stated that in reviewing the matter at would appear that POWLESS, himself, did not endorse the items, but had his immediate employees in the AIM office execute the endorsements and in view of the fact that the witnesses in this case are very apt to become hostile at a later date, he was declining prosecution.

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